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9 August 1982

LATIN AMERICA REPORT

No. 2552

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OIL OUTPUT OF 1.5 MILLION BARRELS DAILY BEING MAINTAINED

Mexico City EXCELSIOR in Spanish 5 Jul 82 p 4A, 38

[Text] The minister of patrimony and industrial development, Jose Andres Oteyza, reported yesterday that Mexico has stabilized its oil production, and is now selling 1.5 million barrels of crude a day. It will maintain this level for the rest of the year.

Oteyza explained that electricity rates are now being studied so that a decision may be made soon about raising them. He said that by the end of 1984 or in early 1985 the Laguna Verde nuclear power plant will begin to operate.

About the construction of the Laguna Verde II plant, he said this has been postponed because of the nation's economic situation. At this time it is impossible to make expensive investments for projects which do not have top priority.

He also explained that Mexican Petroleum sends crude of the Maya type to refineries in Curacao and the Virgin Islands, since their operating costs are better. "This suits us," he explained. "Because of the ease of operation and for reasons of costs, we prefer to have our heavy crude processed in those refineries, and obtain products from them, and therefore not overload the refining facilities in Mexico."

Another reason for this, he explained, is that there are problems with handling the mixtures of heavy and light crude. For this reason, the costs are actually better. He pointed out that this is a normal commercial operation.

He explained that this situation will change within the next 2 years, as now light crude of the "Isthmus" type is being extracted to improve the mixtures. This will improve the possibility of selling on the international market and help to resolve the

situation that arose in the beginning of the 6-year period when the Maya type was sold to meet the existing demand.

On the topic of uranium mining, he said that Mexico does have great resources. Although the proven uranium reserves are low, the exploration being done is producing excellent results.

According to reports, the existing uranium reserves would barely be enough to supply the Laguna Verde plant during its lifetime. For this reason, uranium exploration is continuing so that when the nuclear program is operating at full capacity, there will be sufficient potential reserves.

Civic Duty

On the subject of the elections, Oteyza said that all of us who are Mexican citizens must take part, in order to maintain the system which has provided Mexico with political stability for so many years, and which has favored our uninterrupted development.

About the participation of nine political parties in the election, he felt this is essential. Mexico needs more ideological options so that all the Mexican people may express their wishes freely and so that the exercise of democracy will be ensured.

7679

CSO: 3010/1920

NAMUCAR DENIES ARMS TRAFFICKING CHARGES

San Jose LA REPUBLICA in Spanish 3 Jul 82 p 4

[Text] The representatives of the Caribbean Multinational Shipping Line (NAMUCAR) yesterday rejected the statements of the Salvadoran Government that there is Cuban infiltration in the enterprise.

At a press conference, NAMUCAR's executive secretary, Alvaro Fernandez Escalante, stated that El Salvador is trying to distort the truth when it is asserted that there is a high influx of Cubans into the shipping enterprise, when actually only four Cubans are connected with NAMUCAR.

According to what was stated, it is completely false that NAMUCAR has contributed transportation of war arms and equipment for the subversive groups in El Salvador and other countries of the region.

During the press conference, it was pointed out that NAMUCAR helped the Salvadoran Government in transporting a substantial portion of its coffee harvest, which was on the point of spoiling. However, this was an action of good faith, despite the fact that El Salvador does not even belong to NAMUCAR, whose members include only Costa Rica, Nicaragua, Cuba, Venezuela, Jamaica and Mexico.

9545

CSO: 3010/1942

BRIEFS

CHILE-PERU AGREEMENTS--Various important agreements and reciprocal cooperation pacts were signed between Chile and Peru in the areas of trade, culture, science and technology, as well as transportation and communications. The agreements were signed during the Fifth Meeting of the Permanent Mixed Chilean-Peruvian Cooperation Commission, which took place from Wednesday to Friday of last week in Lima. This information was revealed last night by the vice-minister of foreign relations, Lt Gen Sergio Covarrubias, upon his return to the country after chairing the Chilean delegation that participated in the bilateral meeting. The vice-minister, who declined to give more details about the agreements because he had to report to the president of the republic on the results of his mission, stated: "I am returning very contented and satisfied with the results of the conversations and agreements we reached with the authorities and officials of our neighboring country. Our contacts are developing in an atmosphere of friendship and cordiality." He added that some of the pacts must be ratified within 90 days, while others will have to go through legislative processes to be approved. When asked about reactions in the Lima press to statements made in Chile by Chilean Ambassador to Peru Jose Miguel Barros, Lt Gen Covarrubias said that "that situation has been completely resolved." He added in that regard that the Chilean delegation was received by Peruvian President Fernando Belaunde Terry and by Foreign Minister Javier Arias Stella, "with whom we talked on a level of great cordiality and understanding." He closed by stating that relations between Chile and Peru are developing along a path of progressive friendship and mutual understanding. [Text] [Santiago EL MERCURIO in Spanish 13 Jun 82 p C1] 8926

CSO: 3010/1733

COST OF LIVING ROSE 43 PERCENT FIRST SIX MONTHS

Buenos Aires LA NACION in Spanish 8 Jul 82 p 6

[Text] Last June the general level of the Consumer Price Index registered an increase of 7.9 percent, while wholesale prices rose by 15.2 percent, and construction prices 5.3 percent.

These figures, released yesterday by the National Statistics and Census Institute (INDEC), reveal that so far this year consumer prices, or the cost of living, has increased 43 percent, while wholesale prices have gone up 68.2 percent.

The annual growth of the two figures is 125 and 189.7 percent, respectively.

In the schedules for the sixth month of the year, INDEC eliminated the spread of the series in which red meats and their byproducts were separated.

Consumer Prices

The increments in the different categories that make up the general level of the CPI were as follows: food and beverages, 7.9 percent; clothing, 3.3 percent; housing, fuel and electricity, 4.2 percent; equipment and home operation, 7.4 percent; medical care and health costs, 4.1 percent; transportation and communications, 2.7 percent; recreation and education, 6.9 percent; and various goods and services, 10.6 percent.

Wholesale Prices

The June increase in the general level of the Wholesale Price Index (15.2 percent) was the highest in the last year, and resulted from increases in nationally produced goods amounting to 15.3 percent, and in imports amounting to 14.1 percent.

Agriculture

Among the former group, agriculture experienced a 24.2 percent increase, made up of higher prices for plant products (19.9 percent), animal products (29.8 percent) and fish products (0.8 percent).

Non-agricultural Goods

The level of prices for non-agricultural goods climbed 12.2 percent, the most significant changes being in tobacco (59.5 percent), ready-made clothing (20 percent), food and beverages (16.1 percent), rubber (12.9 percent), machinery and electrical appliances (10.8 percent), chemicals (10.6 percent), and vehicles and machinery, excluding electrical (10.6 percent).

Imports

Among imported goods, the most noteworthy increases were in rubber (37.8 percent), chemicals (30.4 percent), food and beverages (20.3 percent), and metals, excluding machinery (16.8 percent).

Construction Costs

Finally, the INDEC report shows the June increase in the general level of construction costs in the Federal Capital, which was 5.3 percent, as mentioned above.

In the materials category, the rise was 7 percent, resulting principally from higher costs for steel, plastic cables, planking lumber, lead, rolled fencing and sanitation devices.

Labor

The labor category rose by 0.5 percent, while overhead costs climbed by 3.3 percent, resulting from fees for planning and direction.

Price Indices in June 1982

Consumer (base 1974 = 100)	general level	248,713.9
Wholesale (base 1960 = 100)	general level	6,667,012.3
Wholesale (base 1960 = 100)	agricultural	6,007,689.1
Wholesale (base 1960 = 100)	non-agricultural	6,930,955.8
Wholesale (base 1960 = 100)	non-agricultural national	6,699,291.5
Construction costs (base 1980 = 100)	general level	383.7

Source: National Statistics and Census Institute

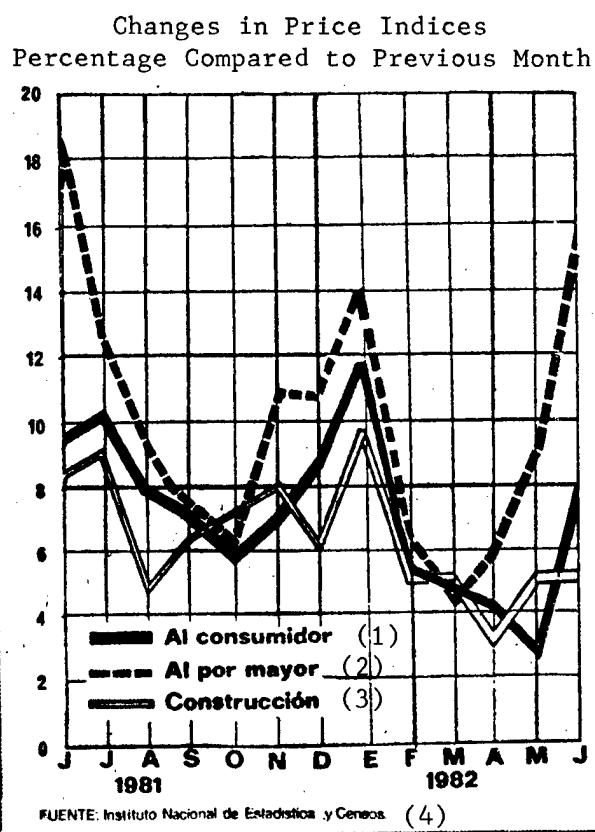
Changes in Price Indices (1)

Period	Consumer Prices	Wholesale Prices	Construction Costs
1981 June	9.4	18.7	8.5
July	10.2	12.8	9.3
August	7.9	9.3	5.1
September	7.1	7.1	6.3
October	5.8	6.1	7.1

	November	7.2	11.0	8.1
	December	8.8	10.6	6.0
1982	January	11.9	14.0	9.8
	February	5.3	5.7	5.0
	March	4.7	4.6	5.3
	April	4.2	6.1	3.6
	May	3.1	9.3	5.3
	June	7.9	15.2	5.3

(1) In percentage, compared to previous month.

Source: National Statistics and Census Institute.



Key:

1. Consumer
2. Wholesale
3. Construction
4. Source: National Statistics and Census Institute

8926

CSO: 3010/1972

INDEC REPORT ILLUSTRATES PREVAILING EMPLOYMENT FACTORS

Buenos Aires LA NACION in Spanish 10 Jul 82 p 10

[Text] Employment is one of the four factors of production a country has at its disposal to generate wealth. The other factors are capital, natural resources and business organization. In recent times, economists have preferred to add a fifth factor, ambiguously called technology.

The way these factors combine, that is, the allocation of resources, what and how much to produce, constitute the essential problem of economics. The classic orthodoxy of the liberal school, which to varying degrees prevails in the West, allows the market, through the free mechanism of pricing, to resolve this issue, thereby ensuring that the most efficient allocation possible will take place.

In socialist countries with centrally planned economies, however, it is the state that determines what, how much and who will produce the goods that are arbitrarily presumed to be needed by the community. It is up to the reader to determine which position is closest to Argentina's.

There is no doubt that the welfare of a society depends on the efficiency with which its resources are allocated, and in this regard the rational and efficient use of the labor force controls whether a just and reasonable remuneration can be paid for the work done.

How Many Argentines Work?

Normally the term "economically active population" is used to describe that portion of the population that is working or is in a position to do so. It includes essentially all people between the ages of 15 and 65. In our country, according to figures compiled by the National Statistics and Census Institute (INDEC), based on the latest National Population and Housing Census, approximately 40 percent of the 28 million Argentines, or about 11 million people, are included in this category. That figure, 11 million people, comprises the Argentine labor force. Compared to other countries, this proportion is low, because according to reports by the World Bank, in general the economically active population in developed and semi-developed countries (USA, Australia, Canada, etc.) is slightly more than 60 percent of the population.

Where Do They Work?

The lack of information available makes it necessary to guess or use common sense to deduce the real picture that is hidden by that lack of information. That process often leads to deceptive results and conclusions that differ substantially from the truth. Certainly that would occur if today each Argentine were asked where he thinks his fellow citizens work. The answer would be different from the truth. This is why information is important. The various economic sectors of society often wield the argument of defending sources of employment, for the purpose of putting pressure on the rest of the community in the struggle to obtain sectorial privileges.

In this sense, the information compiled by INDEC is highly illustrative. It is surprising to see the great proportion of people working in the services sector, especially public employees; the figure bears no relation to those of countries of a similar level of development.

Workforce

The workforce at present represents between 51 and 66 percent of the total population; that proportion is greater in more developed countries. Furthermore, in those countries there is an upward trend in the labor force, which reveals that the wealthier countries generate a larger workforce and thus can increase their productive capacity more rapidly. In medium-income countries, on the other hand, including our own country, there has been a stagnation in the development of the labor pool.

In the case of Argentina, two aspects should be highlighted. First of all, the different percentage of the labor force reported by the World Bank, as compared to the INDEC figure, reveals that there are a large number of people in Argentina who are able to work but do not want to do so; this reduces the effective workforce. Secondly, the proportion of inhabitants between 15 and 65 years of age has declined since 1970, basically because of emigration.

Labor Force and Occupational Structure
Percentages

Country	Labor Force		Occupation		
	1970	1979	Agr.	Ind.	Serv.
Pakistan	52	51	57	20	23
Lebanon	53	55	12	26	62
Mexico	51	51	37	26	37
Brazil	54	55	40	22	38
Argentina	64	63	13	28	59
Israel	59	59	7	36	57
Italy	66	65	11	45	44
Japan	64	68	13	38	49
Australia	61	65	6	33	61

Canada	59	67	5	29	66
U.S.	60	66	2	32	66
USSR	63	66	15	44	41
Czechoslovakia	64	64	11	48	41

Source: World Bank

**Economic Structure of Argentina Population as of 12/31/80
(Estimated Data)**

Population/Sectors	Figures	Percentage	Every 10 People Means:
Total	27,947,446	100.0	10
Active	11,104,127	39.7	4
- Agriculture/Livestock Sector	1,657,720	5.9	0.6
- Dependents	1,082,811	3.9	0.4
- Self-employed	292,156	1.0	0.1
- Employers	282,753	1.0	0.1
- Industrial Sector	1,821,774	6.5	0.7
- Dependents	1,470,171	5.3	0.5
- Self-employed	245,940	0.9	0.1
- Employers	105,663	0.3	0.1
- Commerce and Other Services Sector (includes Public Sector)	6,664,127	23.8	2.4
- Dependents	4,564,926	16.3	1.6
- Self-employed	1,706,018	6.1	0.6
- Employers	393,183	1.4	0.2
- Construction Sector	960,506	3.4	0.3
- Dependents	516,752	1.9	0.2
- Self-employed	404,373	1.4	0.1
- Employers	39,381	0.1	--
Passive	16,843,319	60.3	6
- Contributing Passive	3,062,923	11.0	1
- Non-contributing Passive	13,780,396	49.3	5

Source: INDEC, based on data from the 1980 Population and Housing Census, the Permanent Survey of Homes, and information provided by the provincial statistics offices.

8926

CSO: 3010/1972

KRIEGER SPEAKS ON MEASURES TOWARD REACTIVATION OF ECONOMY

Buenos Aires LA NACION in Spanish 1 Jul 82 p 11

[Highlights of speech by former minister of economics and financial vice-president of the World Bank Dr Adalbert Krieger Vasena at CONETEC seminar on 30 June]

[Text] In 1981 the balance of payments had a deficit of \$3.433 billion, 36.50 percent greater than the 1980 deficit.

The deterioration of external accounts in the first quarter, which was responsible for 82 percent of the year's deficit, was principally due to the increasing expectations of the private sector concerning modifications of the current exchange policy.

The devaluations of April and June, the incentives granted for the renewal and contracting of financial loans in the private sector, and the splitting of the exchange market with increases in exchange rates, all led to an improved balance of payments in the remaining quarters.

Balance of trade: With the process of devaluations begun in April 1981, the goods account began to come into balance. The result of the year's trade was a significant improvement, compared to the \$2.5 billion deficit of the previous year.

The value of exports reached a new record of \$9.15 billion, 14 percent greater than the year before.

The devaluations and the deep recession caused a considerable drop in imports.

Transactions for real and financial services yielded a deficit of US \$3.75 billion.

The crisis in the external sector, already apparent by early 1981, was aggravated by the prolonged and confusing transition from one government to the next.

Although the goods account in the external sector came into balance quickly, and other deficits in the services account fell (tourism had had a

negative balance of US \$2 billion in 1980), this was not enough to make up for the current account deficit of US \$3.771 billion.

The total foreign debt rose to US \$35.671 billion (\$27.162 billion in 1980), of which \$20.024 billion corresponded to the public sector and \$15.647 billion to the private sector.

In 1981 the currency underwent a process of constant devaluation (possibly without precedent in other countries) which, on the one hand, improved the results of foreign trade and some services, but on the other hand did not prevent the total foreign debt from climbing by some \$8.5 billion. Reserves totaled \$3.877 billion, and there was a negative credit position (obligations of the Central Bank) of \$5.628 billion.

As stated in the Central Bank Report of 1981, the financial crisis in the external sector and the economic recession can be explained by the monetary imbalance (crisis in the system) and a greater imbalance in public finances due to the fall in revenues and the failure to curb spending, which led to an estimated deficit of 7 percent of the Gross Domestic Product.

Alemany's Diagnosis

The officials who took office on 24 December 1981 announced an immediate and profound change in exchange and monetary policies, as part of an economic program that followed the basic principles of a liberal model.

The diagnosis that was made was based on the notion that the chronic inflation that had gone unchecked for many years in our country was fundamentally caused by excessive public spending that could no longer support the country's productive apparatus, and that in view of the inability to finance it with more genuine resources (internal or external), high deficits continued to occur, producing a great disequilibrium in the real economy.

In the context of the free exchange market it was hoped that the exigencies of the external sector could be dealt with (with a debt profile that was largely short-term) by refinancing private and state debts on the international capital market. The public sector was expected to maintain its debt stock in real terms, while the private sector was to refinance its amortizations or capital reimbursements when necessary.

In the public sector, the plan was to prevent the debt from growing and to continue the policy already launched of going to the market to obtain long-term funds (up to 8-10 years) with the active presence of the state enterprises, to consolidate the many and large short-term obligations.

With such a strict fiscal and monetary program it could be expected that this plan for improving the foreign debt profile would be fairly successful. Of course, at the same time it would ease the tight finances of the public enterprises that in the past had resorted to high internal and external indebtedness.

Surplus in First Quarter of 1982

During the first quarter, the balance of payments yielded a surplus of US \$159.4 billion as a result of the positive balance in the movement of capital, accompanied by a slight deficit in the current account.

Aside from the favorable expectations that could encourage an economic reactivation once the program had some success (lower inflation rates, lower interest rates, better allocation of resources, etc.), the program contained no clear indication of where the longed-for and much-needed economic reactivation would come from. Did it rely exclusively on the free play of market forces, or would that be a second phase of the program?

New Government

The war that began as a result of our struggle to recover our sovereignty in the Malvinas Islands suddenly interrupted the program announced by Minister Roberto Alemann on 24 December 1981.

Our country's defeat in the battle for the Malvinas led to the fall of the government. In view of that and of recent political events, it is impossible to predict the result of the balance of payments in the coming months. We will have to wait until the new government takes over.

The designation of Dr Dagnino Pastore as minister of economics leads us to expect that the economy will be under the direction of a man well known both here and abroad. He is a solid economist with vast experience in public office. It is to be hoped that he will receive full support for confronting the difficult responsibilities he has been assigned.

Reflections on Balance of Payments and Foreign Debt

- 1) The successive devaluations in 1981/1982 have made it possible to correct serious imbalances, and the balance of trade in 1982 may once again yield a surplus of about \$3 billion. These exchange adjustments and the reduction of tariff protections have solved the great disequilibrium that had emerged between goods that could be sold internationally and those that could not.
- 2) If this surplus in the balance of trade is to be maintained this year and next, as required by other aspects which we will discuss later, it is indispensable that the currency not be overvalued as it was in the past.

As the history of the post-war period shows once again, when the necessary stimuli are provided by adequate exchange policies, the agriculture sector is capable of producing great exportable surpluses.

The ability to produce and export large quantities of agricultural products is a comparative advantage that few countries of the world enjoy. As we have seen in recent years, this agricultural potential not only means economic advantages, but also constitutes a very important tool for implementing an independent foreign policy.

An adequate exchange parity is also indispensable for enabling the country to become an exporter of manufactured goods. The closed economy model that the country followed for many years after the World War ended in 1945 proved undeniably that the country could not, as others did, become an industrialized nation capable of participating actively in world commerce in these products. Excessive protectionism, or overvalued exchange rates, are the best way to discourage industrialization on a solid and stable foundation.

3) It would be very superficial, however, to believe that the problem of the basic imbalance our economy has suffered and continues to suffer, can be solved merely by imposing successive devaluations.

Firm Policy of Curbing Public Spending

Without a firm (now more than ever) fiscal policy of curbing public spending, and without an adequate monetary policy, the process of exchange modifications will become increasingly painful. The devaluation of a currency is a major event in a country, and the only way to avoid another fall is to have a responsible economic program that must be enforced without concessions to circumstantial political or sectorial pressures.

In the difficult position in which the country finds itself these days, during the so-called post-Malvinas period, we are alarmed by voices that talk of reactivating the entire economy through measures that are mutually contradictory.

The reactivation we all desire should be responsibly directed; otherwise, we will end up with hyperinflation, as in 1975, and a virtual cessation of payments, which we were on the verge of back then.

4) The surplus in the trade balance predicted for this year will not be enough to cover our net financial services, estimated at about \$3 billion to \$3.5 billion.

Of the public debt of about US \$20 billion as of 12/31/81, some US \$7 billion falls due in 1982.

Under the plan announced by Minister Alemann, these obligations would be met with medium- and long-term syndicated loans amounting to US \$3.5 billion; new supplier credits for US \$1.4 billion; and a rollover of some US \$2.3 billion. Obviously, much of the debt would be consolidated by obtaining long-term loans, and thus the foreign debt profile would be improved. In addition to these public sector obligations, another \$7 billion falls due in the private sector.

An adjustment program as orthodox as that proposed by Dr Alemann could very feasibly enable us to obtain those long-term funds on the international markets, and we think that the figure cited as the goal could have been surpassed.

CAP LOSES \$36 MILLION IN FIRST QUARTER

Santiago EL MERCURIO in Spanish 14 Jun 82 p 1B

[Text] The losses suffered by the Pacific Steel Company (CAP) during the first quarter of the year totaled \$36.8 million. This amount is equivalent to 1,404,000,000 pesos, and is greater than the figure for the January-March period of the previous year, when losses reached 487 million pesos.

According to a report written by the Production Development Corporation (CORFO), operational losses totaled \$17.9 million.

The report states that the worsening of CAP's situation is basically due to the sharp decline in sales, which fell from \$109 million during the first quarter of last year to \$60.9 million during the same period of this year.

The slump in sales was caused by the world economic recession, which is reflected in lower iron ore sales abroad. Physical sales dropped from 1,632,000 long tons to 1,019,000 long tons, while sales of finished iron and steel products on the domestic market fell from 116,400 to 68,100 metric tons.

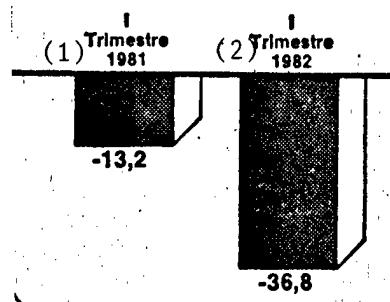
The CORFO report indicates that the decline in sales on the domestic market was also "accompanied by reductions in prices, necessitated by competition from similar imported goods which were encouraged to come into the country by various bonuses."

As a result of the above-mentioned losses, profits fell to a negative 5.5 percent during the first quarter of the year.

CAP Huachipato Sales
(in 1,000 MT)

	<u>1st quarter 1981</u>	<u>1st quarter 1982</u>
Finished goods	116.4	68.1
Bars	45.3	23.3
Sheets	68.5	26.6
Tubes	2.4	--
Semifinished goods	0.2	18.2
Mining (thousands of long tons)	1,632.0	1,019.0
Pellets	554.0	589.0
Iron ore	1,078.0	430.0
Purchases	--	--

Profits, Pacific Steel Company
(in millions of dollars)



Key: (1) 1st quarter 1981

(2) 1st quarter 1982

8926

CSO: 3010/1733

IMPORTS DECLINE WHILE EXPORTS REMAIN STABLE

Santiago EL MERCURIO in Spanish 12 Jun 82 p 1B

[Text] Imports fell by more than 33 percent during the first 5 months of this year, compared to the same period of 1981, according to the provisional figures released by the Central Bank.

The data indicated that the importation of goods from abroad rose between January and May by a total of \$1,728,800,000, \$875 million less than the same period of the previous year (\$2,603,800,000).

Exports, meanwhile, totaled \$1.63 billion, a 4.2-percent decline from January-May 1981.

The sharp drop in imports, along with the virtual standstill of exports, enabled the balance of trade to show a deficit of only \$98.8 million at the end of May, nearly a 90-percent reduction from the figure for the previous period (\$902.2 million).

It should be noted that in 1981 Chile's foreign trade showed an annual deficit of \$2,597,700,000, the largest in its entire history. Exports came to a total of \$3,959,800,000, imports \$6,557,500,000. An important factor in that result was the fall in the price of copper and prices of other major Chilean exports, such as molybdenum, iron, cellulose, and forestry products. The significant growth of imports also had an impact.

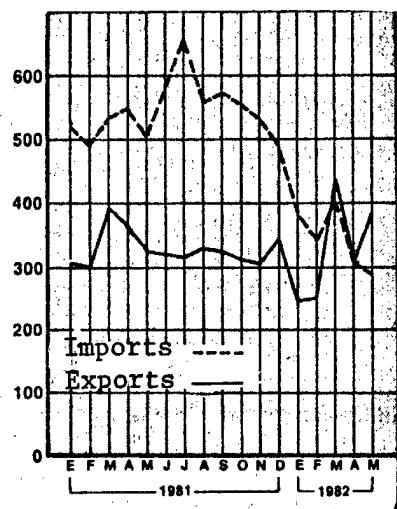
The greatest monthly imbalance in 1981 was in July, when the deficit reached \$344 million.

After that month imports began to fall off, dipping from \$659 million in July to \$490 million in December.

<u>Month</u>	<u>Foreign Trade</u> (in millions of dollars)			<u>Annual</u>
	<u>Exports</u>	<u>Imports</u>	<u>Monthly Balance</u>	<u>Cumulative Balance</u>
January 1981	307	522	-215	-215
February	302	491	-189	-404
March	398	534	-136	-540
April	366	550	-183	-723

<u>Month</u>	<u>Exports</u>	<u>Imports</u>	<u>Monthly Balance</u>	<u>Annual Cumulative Balance</u>
May	325	505	-178	-902
June	320	584	-264	-1,166
July	315	659	-344	-1,510
August	330	559	-229	-1,740
September	326	573	-246	-1,986
October	312	553	-241	-2,227
November	307	531	-224	-2,452
December	345	490	-145	-2,597
January 1982	246	385	-138	-138
February	250	341	- 91	-230
March	439	405	34	-195
April	308	307	1	-194
May	385	289	95	- 98

Monthly Exports and Imports
(in millions of dollars)



8926
CSO: 3010/1733

NEW FISHING LAW ADOPTED; MODIFIES 1931 LAW

Santiago EL MERCURIO in Spanish 11 Jun 82 p C1

[Text] The new fishing law was published today; it makes a change in the existing prohibitions and limitations, and replaces the sanctions that were in effect until now, in order to ensure effective compliance with the administrative measures adopted by the government to achieve the rational use of hydrobiological resources.

The legislation sets forth the fishing zones, seasons, sizes, and fishing devices that may be used. It also contains standards for environmental conservation.

This information was reported at a press conference by Undersecretary of Fishing Roberto Verdugo. He explained that the sanctions contained in the new legislation vary between 3 and 300 Tax Units (UT), or between 6,537 and 653,700 pesos, depending on the value of a UT during the month in question; at present that is 2,179 pesos.

The official stated that the provisions in effect until now did not allow for a rational use of fishing resources, in that they did not envision the possibility of applying exemplary sanctions against violators.

The penalties established, he said, did not bear any relation to the serious nature of the violations that are committed, or to the damage done to resources and their environment.

New Law

The new law modifies DFL No. 34 of 1931 for the purpose of establishing a new series of prohibitions, limitations and sanctions. It also modifies Law 15,231 insofar as it derogates Articles 72 and 73, which contain prohibitions on fishing activities.

Sanctions

The legislation establishes a progressive scale of sanctions, depending on the nature and seriousness of the infraction (that is, if the violation of regulations was committed during fishing or extraction, processing or marketing); the position of the violator; and the recidivism element.

Those who are caught committing the same violation twice in a short period of time will be subject to a double fine, said Verdugo.

He added that the sanctions will consist of: fines; confiscation of hydrobiological resources, products or the elements used to commit the infraction; suspension or revocation of authorization to undertake various fishing activities; and shutting down establishments, industries or commercial sites where the violation is committed.

The law maintains the provisions of Decree 2319 of 1978, with regard to the jurisdictional powers of Local Police Courts to hear and rule on cases of the violation of DFL No. 34 of 1931 as courts of the first instance, in accordance with the procedure set forth in Law 15,231.

Increased Activity

Verdugo predicted that 4 million tons of fish will be caught this year, 10 percent greater than the 1981 total. As of May of this year, 1.25 million tons had been caught.

He emphasized that in the past 2 years Chile has played a key role in world fishing activities, figuring among the top fishing nations.

He warned that if logical measures such as those adopted are not enforced, the fishing industry could be jeopardized in the future.

Furthermore, in response to a question, he reported that in Chile today it is more profitable to operate vessels close to the coast rather than at sea, due to the abundance of resources. Ninety percent of the catch, he said, is made between 0 and 80 miles offshore.

8926
CSO: 3010/1733

TWENTY MEMBERS OF SOCIALIST PARTY RESIGN

San Jose LA REPUBLICA in Spanish 3 Jul 82 p 2

[Text] Because they consider the Costa Rican Socialist Party a failure, 20 members resigned from this organization and made this known in a letter addressed to their central committee.

The absence of response to the nation's "political needs," work methods and "ideological instability" of the party were brandished by the resigning members as the main reasons for their withdrawal.

"We have irrevocably decided to resign from the Coast Rican Sociality Party, which does not mean estrangement from political activity; quite the contrary, we are leaving the party because this organization is not satisfying the political needs of any sector of the population," the resigning members stated.

They also said that "the balance sheet of the 10 years elapsed since its establishment shows that this project failed," and that the personalistic methods of work "destroyed any attempt to create a specific work plan" and that they reduced the party to a "circle of close friends, substituting the rationale on which any organization that is trying to be a political party must base itself, for irrational loyalty to friends."

They added that this failure is evident in the "lamentable example" of trying to "introduce through the window a deputy to the legistlative assembly."

"This agreement, which is very revealing, has not been able to be fulfilled, because of the irresponsibility of the Socialist Party candidate himself," who proclaimed beforehand that he would be the deputy and not Eduardo Mora, and who then attacked Daniel Oduber, "thus creating unnecessary complications."

A transcript of the resignation letter that was granted to LA REPUBLICA is signed by former deputy Mario Devandas, Raul Alvarado, Carmen Brenes and Vilma Herrera, and the informants said that a total of 20 persons resigned.

9545
CSO: 3010/1942

RESTRICTIONS FOR ENTRY OF FOREIGNERS REDUCED

San Jose LA NACION in Spanish 26 Jun 82 p 4A

[Text] Citizens of those nations having free transit agreements with Costa Rica will not need a visa to enter our territory reported yesterday vice minister for the presidency, Mr Manuel Carballo Quintana.

At the beginning of the present administration, a series of measures was imposed to avoid the entry of undesirable elements.

Among these provisions was one requesting those persons who wished to come to Costa Rica to provide a certificate of good conduct, which had to be processed by the Costa Rican consulate in the individual's country or city of origin.

These measures have caused some inconveniences and even representatives of travel agencies have requested their repeal.

The decision to eliminate the restriction imposed on nationals of those countries having free transit agreements with Costa Rica, was made yesterday by the government security council.

As Carballo Quintana explained, immediately after that provision, the Honduran Government retaliated and requested Costa Rican citizens who visit Honduras to have the respective visa.

However, he added, this situation was clarified, and to avoid more problems in the future, it was decided to reverse that measure.

Extradition

Last 24 June, the time period expired for the Nicaraguan Government to request the extradition of 11 Sandinist army members who deserted around the middle of last May.

Carballo recalled that on 24 May Nicaragua showed an interest in repatriating them. However, after a month had elapsed, this request did not take shape.

Carballo reported that at this time the fate of the 11 deserters will be decided.

Carballo remarked that steps have been taken before the Governments of Venezuela and Mexico to receive them, but they still have not responded.

Finally, Carballo stated that yesterday an auxiliary committee to the security council had been established, which will coordinate all the bodies responsible for security in Costa Rica.

This committee consists of the director of the Civil Guard, Colonel Oscar Vidal; the director of the Rural Assistance Guard, Colonel Eduardo Mora; the director for social adaptation, Mr Marino Sagot; Alvar Antillon, director for foreign policy and Mr Manuel Francisco Tacsan, chief official for public security.

Also invited to join this committee was the director of the Organization for Judicial Investigation (OIJ), Mr Eduardo Aguilar Bloise.

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CSO: 3010/1942

AGRICULTURAL PRODUCERS FORM NATIONAL UNION

San Jose LA NACION in Spanish 6 Jul 82 p 4A

[Text] Yesterday the National Union of Agricultural and Livestock Producers was established at a meeting held with representatives from the various agricultural, livestock and agroindustrial branches at the Europa Hotel.

Appointed as president of this organization was engineer Alberto Jose Amador Z., who also presides over the Federation of Chambers of Cattle Breeders of Costa Rica.

On signing the constitutive document, Amador pointed out that the agricultural and livestock sector is experiencing a difficult period in which input has increased six or seven times in comparison with its original cost, for which reason, through the union, they intend to find a solution to problems that are common to all the producers.

Amador urged that each one of the sectors represented in the union take steps before the government in order to obtain incentives that will encourage the producers.

The union, according to an announcement by Randall Garcia Golcher, will start operations on the first of next August, and has, among others, the following objectives:

--To connect private societies that represent the agricultural, livestock or industrial producers who use as raw material basically the goods produced by members of those societies.

--To participate in anything that may directly or indirectly affect operations inherent in agriculture, cattle raising, the agroindustry and others.

Garcia Golcher stated that, because of the agricultural and livestock chambers and federations that are joined in the union, it is going to be very relevant. There are 80,000 coffee growers, 50,000 cattle breeders, 50,000 producers of essential grains and 16,000 sugar cane growers, among others. This means, noted Garcia Golcher, that in national production this is the sector with the most participation in the gross national product, and the same in exports, since it is the biggest generator of currency, employment and multiple operations.

Mr Gerardo Araya Paniagua, representative of the sugar producers, said that "this is not the birth of a pressure group but the integral organization for the sector which shoulders all the national problems."

Engineer Antonio Capella Segreda, of the National Chamber of Basic Grains, and Mr Fernando Garcia, of the sugar cane growers, agreed in their criticisms of what they called "big bureaucracy." They both stated that a stop must be put to an expenditure that is eating up the country, through reducing branch offices, since in Costa Rica there are 87 dealing with the agricultural and livestock sector. The union consists of the Federation of Chambers of Sugar Cane Producers, the Federation of Chambers of Cattle Breeders, the National Chamber of Producers of Basic Grains, the National Chamber of Milk Producers, the Chamber of Sugar Producers, the Chambers of Coffee Producers of the Atlantic and Pacific and the Association of Livestock Industrialists.

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CSO: 3010/1942

STUDY NOTES ISSUED FOR FIDEL'S ANAP SPEECH

Havana VERDE OLIVO in Spanish 3 Jun 82 pp 41-42

[Article in the column "Marxist-Leninist Training": "Course Notes--For study of the speech by Commander in Chief Fidel Castro Ruz at the closing of the 6th Congress of the ANAP [National Association of Small Farmers] on 17 May 1982"]

[Text]: By way of introduction, we must point out the importance of this 6th Congress of the ANAP for all our people and in particular for the farming sector, since it provided not only a balance sheet of what has been accomplished and the outlook for it but also a new lesson and a new test of our revolutionary process.

Evolution of the Rise of State and Cooperative Enterprises:

Highlight the fact that the Congress was held exactly 23 years from the promulgation of the first Agrarian Reform Law, stressing the evolution that has taken place in our farming sector and the rise of the two basic forms of production under socialism, bringing out to this end the following aspects:

--On 17 May 1959, the fundamental aim was to liquidate the latifundios and put an end to the exploitation of our farm and rural workers, even though a clear idea did not yet exist as to what forms of production we should adopt.

--The limit on land tenancy was set at 30 caballerias [about 33 acres], which meant the disappearance of all the latifundios in Cuba. The second Law has now established a limit of 5 caballerias.

--The basic purpose of the first Agrarian Reform Law was to free the rural worker from exploitation and make him the proprietor of these lands by parcelling them out, this being at that time the most politically sound and revolutionary method.

--That distribution of lands, however, it was found, could actually halt farm production and eventually bring about a retrogression, owing to the impossibility of operating properly a farm complex so divided up among small owners.

--Little by little, the first state enterprises in the form of cattle ranches and farming enterprises were created, and steps were taken toward the development of cooperatives in cane-farming areas, although, in the latter case, without a natural or historical basis.

--The state enterprises grew from the conversion of cooperatives, which were of the farm workers but not of the peasantry, radicalizing therein their origin.

--In an effort to avoid a social retrogression with respect to farm ownership, the idea was put forth of converting those lands which had been the property of the latifundists and imperial enterprises into socialist enterprises with the same status as the factory and the industrial enterprise.

Point out that it was in this manner that the first state enterprises and the first cooperatives came into being, constituting the beginning of the revolutionary changes in the farming sector. This necessitated the solution of a vast number of problems, foremost among which were the problem of the cadres, engineers, veterinarians and others.

Interpret the words of Fidel: "...there is no revolution without boldness; and one who is not bold will never be a revolutionary," pointing out the unforgettable moments in our history that have provided convincing proofs of revolutionary boldness, in the epic of our liberation and in the very management of our state-owned farms and cooperatives.

Growth of the State-owned Farms and Cooperatives:

Refer to the successes achieved in the rural farming sector in recent years, using Illustration No. 1. Point out that these achievements constitute a great agrarian revolution in our country.

Pay attention to the analysis made by our Commander-in-Chief with respect to the prioritizing of our state enterprises, which although it gave rise to an imbalance in the development of our farming sector actually provided the basis of its transformation.

Explain the necessity of using the "cooperativization" route in many areas of our country, which was the most immediate route and the one involving the least investment and funds; on the other hand, our country's economy required the technical development of farm production in the case of 20-25 percent of our farmland, necessitating in turn the following basic changes:

- Increased mechanization in many areas;
- The use of airplanes to spray herbicides and pesticides;
- The use of irrigation systems to promote growth.

Point out that with a multitude of parcels to deal with, it was practically impossible to apply improved technologies.

Concretize the fact that the successes achieved with state enterprises and cooperatives in some regions of the country provided a stimulus and reassurance for the peasantry to join one or the other of these superior forms of production, in view of the advantages they would enjoy from all standpoints, but above all from their integration into the collective farms.

Using Illustration No. 2, show the impetuous advance of the cooperativist movement throughout the country

The foregoing analysis must bear out the reaffirmation made by our Commander-in-Chief when he said: "...Truly the most correct, the most realistic, and--since the most realistic is also the most revolutionary--the most revolutionary approach was to take both roads: That of the state-owned enterprises and that of the cooperatives." The importance of these views can be judged from V.I. Lenin's teachings, when in May of 1923, in his thesis "On Cooperatives," he stated: "... They are still not the whole edifice itself of the socialist society, but they are certainly the indispensable and adequate basis on which to edify it." In that same work, he goes on to say: "...If we could organize the entire population into cooperatives, we would be touching with both feet on socialist terrain." (Edited works in 12 volumes, Vol 12, pp 378 and 384.)

Emphasize the importance accorded by our party and the state to the development of these two forms of production, inasmuch as, looking into their future, we perceive clearly "...how one day, between state enterprises and cooperatives, we will have one of the world's most developed, (...) most advanced agricultures, and one of the most profound agrarian revolutions ever to have taken place."

The advance stemming from the idea of cooperatives in our country must be demonstrated (using Illustration No. 3), adding that these achievements together with those of the state-owned farms presage an extraordinary advance by our agriculture and lay the groundwork for that sound competition it is being sought to develop between the cooperatives and the state farms.

To sum up this aspect, point out the role that has been played by the ANAP in the development of the political and revolutionary, educational, cultural and technical work that has gone into achieving the results brought forth in its 6th Congress.

Conflictive Issues Analyzed in the Congress

In addressing this aspect, the following idea expressed by Fidel must be expounded upon: "In reality, the party has had in the peasantry a worthy representative, but the peasantry has also had in the party a worthy representative..."

The following conflictive issues that were debated in the Congress must be taken up in detail:

1. The situation in the mountains.
2. The rural free market among the peasantry.
3. Taxes.

1. The Situation in the Mountains

Explain that in the mountains a serious exodus is taking place and that this was brought about by the revolution when it created new living conditions and opportunities of all kinds in the plains.

A total exodus will leave the mountains without a work force to tend to the forests, the coffee and the cacao.

Clarify that the objectives of the party and state in the mountains are: coffee, cacao and the forests, that is, lumber and self-sufficiency of consumer demands among the peasantry.

Highlight the importance being accorded by Fidel to the need to carry out a rapid and reliable study of this situation. And stress the effort and the funds that will have to be put into resolving this situation.

2. The Rural Free Market

Expound clearly on the fact that in the 6th Congress references were made to the rural free market, pointing out the occurrence of the following phenomena:

- a) The peasants have stopped bringing certain products into the collective inventory;
- b) Middlemen have appeared on the scene;
- c) And so have smallholders.

Explain that it is not fair to not deliver certain products to the collective inventory diverting them instead to be sold on the rural free market, because this keeps the product from being sold to the population at its official price so that it is sold at higher prices. This results in the worker with a lower income being deprived of these products.

Point out that the advent of the middlemen is the most negative of these three phenomena, and why.

Next clarify who are the smallholders and the work that must be done by the ANAP to define which of them are to be legalized and which not. Also clarify that all the land in our country is under the control of the Ministry of Agriculture or under that of the ANAP.

Analyze the criteria that have been discussed to bring about a solution of the free market problem. Highlight the fact that this aspect corroborates the bond between the party and the masses. In support of this idea, use the following passage:

"... This must be the style of our party and of our state: Not to impose, but rather to persuade or be persuaded. For, neither is it solely their role to be

always persuading; their role is also to let themselves be persuaded by the people as often as may be necessary..."

Analyze also why Fidel says: "... Now, it would be an illusion on the part of consumers to think there can be a free market that is at the same time a cheap one..."

3. Taxes

You will point out the two concepts that exist around this aspect, and that, because it is a very difficult problem to address simply, the views that were expressed by the Congress have been taken under consideration and a subsequent decision in this respect will be taken.

After referring to what has been set forth concerning corruption, highlight the self-critical spirit of Fidel when he refers to the situation that exists in the food sector as a responsibility of the national leadership.

This idea is to be summarized stating that these are ideological problems and analyzing why Fidel says: "... That scourge is the cradle of counterrevolution and the betrayal of the nation."

Conclude by interpreting the following statement:

"... We must fight against those things; we must also get to the bottom of those problems; because they have to do with the attitude of our workers, with the morale of our people, with the law, with respect of the law and with the spirit and the revolutionary conscience of our people. This is why we must fight against the spirit of gain, and we must do so energetically..."

Conclusions

Point out in your conclusions the importance of the Congress with regard to the task of developing awareness toward the incorporation of the peasantry into the superior forms of production. With regard also to its having brought forth ideas and opinions that have served as factors toward the taking of fairer and more appropriate steps in relation to the rural free market, taxes on the peasantry, etc.

Reaffirm, moreover, that this Congress brought out clearly the democratic nature of the revolution and the bond that exists between our party and the masses.

Quiz Questions for Officers and Noncommissioned Officers

1. Explain what the great agrarian revolution instituted in our country consists of.
2. Analyze the impetuous development of the cooperativist movement and its principal achievements in our country.

3. How does Fidel analyze the phenomenon of the middlemen in the rural free market?

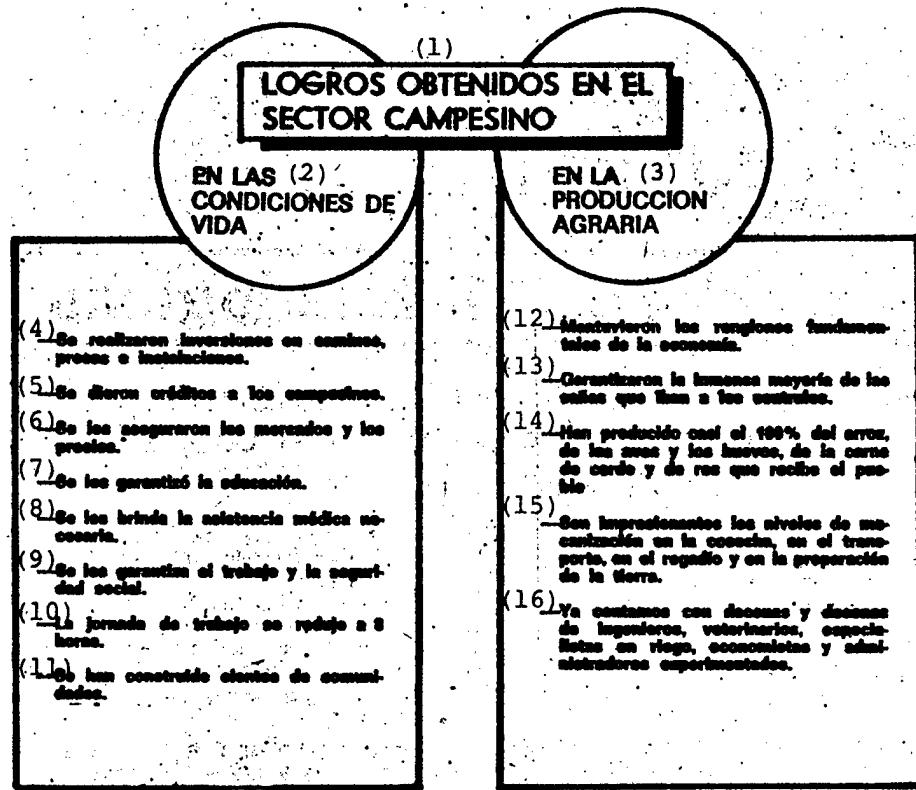
4. Comment on the following statement by Fidel:

"---This is why we must fight against that spirit of gain, and we must do so energetically..."

5. Analyze how Fidel's speech at the 6th Congress of the ANAP brings out the democratic character of our revolution.

[Illustrations follow]

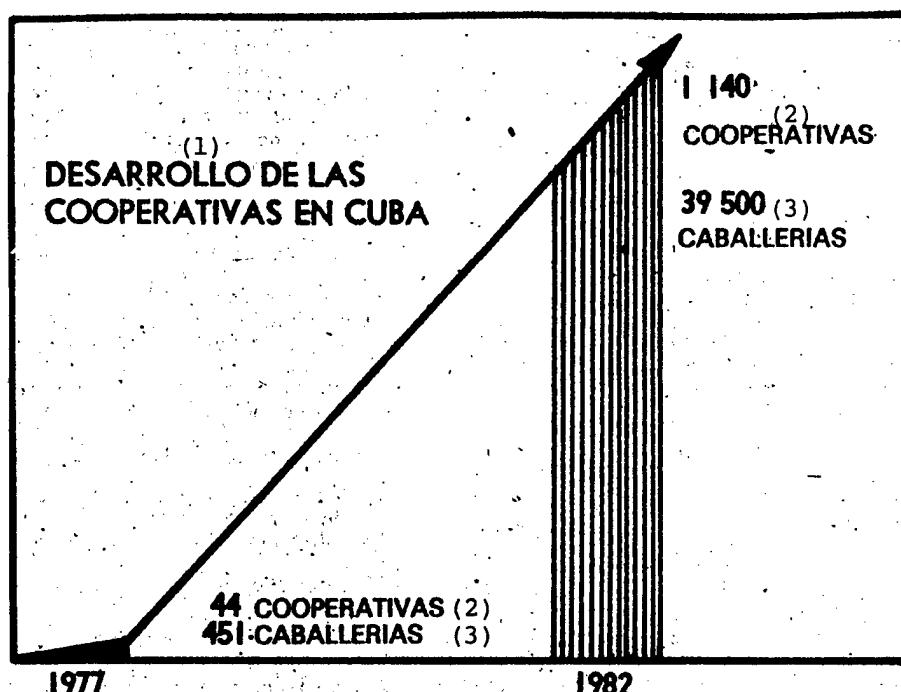
[Illustration 1]



Key:

1. Achievements in the Rural Sector.
2. In Living Conditions.
3. In Farming Production.
4. Investments have been made in roads, dams and installations.
5. Credits have been extended to the peasants.
6. Markets and prices have been guaranteed to them.
7. They have been guaranteed an education.
8. They are being given all necessary medical care.
9. They are guaranteed jobs and social security.
10. Their workday has been reduced to 8 hours.
11. Hundreds of communities have been built.
12. They have adhered to basic economic guidelines.
13. They have kept up the vast majority of the roads leading to the sugar mills.
14. They have produced almost 100 percent of the rice, the poultry and eggs, the pork and the beef received by the people.
15. The achieved levels of mechanization of the harvest, of transport, of irrigation and of preparation of the soil are impressive.
16. We now have tens upon tens of engineers, veterinarians, irrigation specialists, economists and experienced administrators.

[Illustration 2]



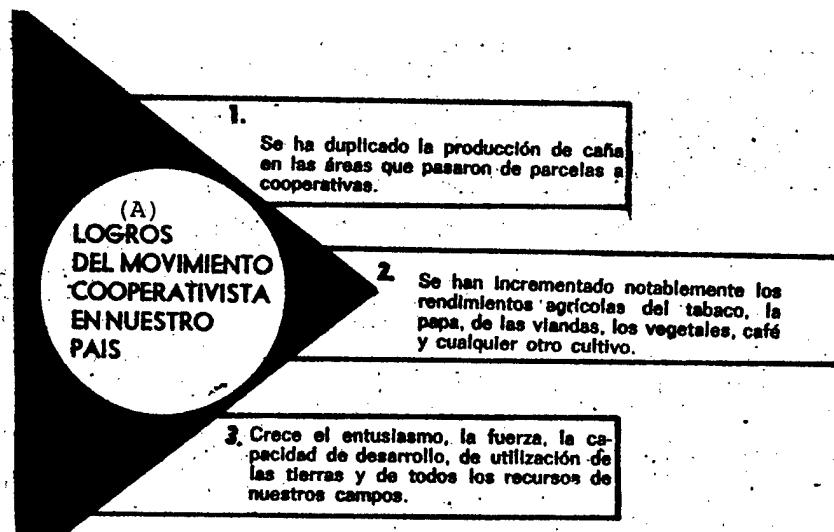
La cooperativa de producción agropecuaria es una empresa colectiva donde se integran voluntariamente las tierras y demás medios fundamentales de producción (maquinarias, equipos, instalaciones, ganado y otros) pertenecientes a un grupo de campesinos, con el objetivo primordial de trabajar colectivamente y de utilizar los adelantos de la ciencia y la técnica para obtener una mayor producción, productividad y humanización de las tareas agrícolas, al mismo tiempo que alcanzar una vida social más plena y próspera.

Key:

1. Development of Cooperatives in Cuba.
2. Cooperatives.
3. Caballerias [about 33 acres].

A farming and livestock production cooperative is a collective enterprise consisting of a voluntary pooling of the lands and other basic productive assets (machinery, labor, installations, livestock and others) pertaining to a group of peasants, for the essential purpose of working collectively and making use of advanced scientific and technical methods to increase production, productivity and the humanization of farm work, while at the same time enjoying a fuller and more prosperous social life.

[Illustration 3]



Key:

- A. Achievements of the Cooperatives Movement in Our Country.
- 1. Sugar cane production has doubled in the areas that converted from parcels to cooperatives.
- 2. Farm yields in tobacco, potatoes, roots, vegetables, coffee and all other crops have increased notably.
- 3. Enthusiasm, strength, capacity for growth and for utilization of the farmlands and of all the resources of our fields continues to increase.

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CSO: 3010/1906

IBI DIRECTOR INTERVIEWED ON INFORMATICS

Havana PRISMA LATINOAMERICANO in Spanish Jun 82 pp 46-47

[Report on interview with IBI Gen Mgr Fermin A. Bernasconi on informatics, by Nancy Lescaille and Gilberto Caballero; date and place not given]

[Text] For many, it is a complicated system basically related to ultramodern computers. However, for many others, informatics is now a type of revolution even more radical than the industrial revolution which shook the world a few years ago.

Among the latter group is Prof Fermin A. Bernasconi, general manager of the Intergovernmental Bureau for Informatics Development (IBI), an institution, one of whose objectives is to help developing countries to resolve basic problems now facing them, such as those involving the administration of the national economy and the optimum yield of their resources to further their economic and social development.

Born in Argentina and a former professor of operations research at the Catholic University of Buenos Aires, the still young Bernasconi supports, with the zeal of a missionary, ideas which could not be considered very orthodox.

"Today's developing countries are those which did not manage to carry on yesterday's industrial revolution." Author or spokesman of this and other statements according to the style, it is not strange that Bernasconi disagrees with the idea that there are some who confuse informatics with the simple promotion of sales of advanced-technology equipment to developing countries, especially that "privileged instrument" called the computer.

"To clarify things," he adds, "and since it is not easy to define informatics, there is an analogy which makes it easy to understand the concept: informatics is to the computer what astronomy is to the telescope. That is, the computer does not become a tool, as useful as it may be."

Putting each thing in its place, the top IBI official continues by offering PRISMA other ideas and concrete statements about the importance of informatics to developing countries, the accomplishments of the SPIN-1 (Strategy and Policy for Informatics) Conference, held in Spain 4 years ago, and the objectives involved in achieving a new international informatics order in SPIN-2, to be held in Havana at the beginning of 1983.

With the unmistakable accent of his native country, Bernasconi asserts that to develop is not enough; a country must have understood the phenomenon of informatics. As an example, he points out that one of the constants of underdevelopment is a lack of infrastructure. Thus, there are countries of potentially great wealth which are underdeveloped and others which have no natural resources and yet are developed; this is the case of Argentina and the Netherlands.

Through informatics we create the infrastructure; and, later, the country can, let us say, build a phenomenal hydroelectric power plant with the assurance that there will be no problems in operating it in the proper manner.

"This is somewhat the reason why informatics is so important in the process of aiding underdevelopment and why we believe we have a role to play in this respect." Bernasconi's "we" naturally refers to the IBI, the already mentioned Intergovernmental Bureau for Informatics, founded in 1974 with the classic and typical structure of all international organizations.

The basic task of the IBI, to which governments of various countries belong on a voluntary basis and regardless of their ideology, is the organization of the flow of information and its storage, as well as its processing in a logical and coordinated manner so that it will serve established objectives.

"We insist that informatics is not a simple technological phenomenon; it is a political phenomenon and, as such, requires that the leaders of the various countries be made aware of the importance it has for society and the economy, as well as for the life of each human being.

"Moreover," Bernasconi adds, "this naturally involves the need to define policies and national strategy in each country with regard to this subject, particularly since it is very costly to bring computers into a country; not only must this be recognized but also the cost to train operators and technicians.

"We maintain that informatics, being a leveling instrument, if not approached on the basis of a well-defined policy, may become the most burdensome instrument of dependency."

The IBI general manager pauses momentarily as though searching for an example and then continues:

"Imagine a country which establishes a data transmission network based on a satellite and this network becomes the nervous system of the governmental structure. At this point, it has all necessary data on the country's population enabling it to determine the human potential for national defense, the country's development, the employment situation, social security requirements, and so on. If that country does not handle the technology aspect, that is, if another country handles that phase and a computer problem arises which the first country cannot resolve by itself, the first country is totally dependent on the other."

New International Informatic Order

In Bernasconi's opinion, the greatest achievement of the SPIN-1 conference of 1978 was to make the technician, and more especially the politician with decision-making capability, aware that informatics is a subject within their jurisdiction and that to ignore that subject is to be blind before one of the phenomena which it behooves them to recognize.

Politicians of the Third World, in particular, have immense international responsibilities, for an international informatic order must be created. Presently, 90 percent of that activity is in the hands of American transnational companies.

It is unacceptable for one country to control almost the entire market of that technology, and, within that 90 percent, a single company (IBM) controls 70 percent.

To emphasize this unacceptability, Bernasconi stresses that informatics is vital to development, and a vital instrument cannot be concentrated in that manner.

The Argentine professor does not lack examples to support his ideas with vigor. He relates the case of a transnational oil company which had obtained permission from the government of an African country to search for oil in that country.

Inasmuch as the new technology for processing data was virtually unknown to the African country, the American company sent all information obtained to the United States via satellite.

As a result, a foreign company was, in reality, the only entity which knew if there was or was not oil in that underdeveloped country. In case there was oil, only the foreign company would decide when and how to extract it, and the government of the country in question would never enter into what was occurring, with the information completely out of his control and decisions being made behind his back. This has occurred and is continuing to occur.

What can be done? After conversing with Bernasconi, there is no doubt that he is convinced that the IBI can do much, particularly during the SPIN-2 conference to be held in the Cuban capital during the first months of next year.

"Informatics," he says, "is one of the most important political phenomena of the present era. We have seen that it was and can be an instrument of domination, but we must make it an instrument of achievement and development.

"At SPIN-2 important decisions will be made concerning the future, especially with regard to the flow of information across the borders, which we illustrated with the case of the African country and the foreign-owned oil company. I am convinced that something concrete will come out of SPIN-2 with regard to the creation of an international order in that sphere, as well as inter-governmental programs."

In this respect, he points out that the IBI already has a number of study groups investigating this subject, amplifying the reports presented and discussed at the world conference on the flow of information across borders, held under the auspices of that organization in Rome in 1980 and attended by about 350 persons from 55 countries and about 100 representatives of government organizations, foreign companies and others.

As convinced as Bernasconi is that much can be done to place informatics at the beneficial service of humanity, he is equally convinced that at the Havana conference he will obtain the necessary funds for that objective.

"SPIN-2," he says, "should result in a government program of \$500 million for the development of informatics in underdeveloped countries."

It is obviously an ambitious project, especially because the IBI general manager is expecting that SPIN-2 will not only result in the approval of recommendations which will subsequently be put into practice but also in concrete action on the multimillion dollar project.

"It might even seem pretentious," he concludes, "but we are convinced that it is necessary and attainable."

Hearing him speak, we were reminded of some comparative examples given by the proponents of informatics to indicate its progress, examples which do not fail to be fully confirmed.

One of those examples contends that if the automobile industry had achieved the same degree of progress as that achieved by informatics, a Rolls Royce would cost \$3.00 and would run 3 million km on 1 gallon of fuel.

With that type of credence, it is not surprising that men like Bernasconi feel so confident in the present and future of informatics and that many assert that, although in the distant past a country's development was based on the rates of production of steel, cement, plastics, and so on, that development is now measured by its capacity to produce information.

8568

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FAR POLITICAL-SOCIAL CHARACTER DESCRIBED

Havana VERDE OLIVO in Spanish 10 Jun 82 pp 36-38

[Article by Maj Luis Ramirez Caraballo, professor of Marxist-Leninist philosophy at the Institute of Military Technology]

[Text] The great theoretician and expert in proletarian revolution, V. I. Lenin, bequeathed to us the dictum that every revolution must learn to defend itself against internal and external counterrevolutionary forces and in this way consolidate and reaffirm the gains made in the struggle of the working class.

These Leninist ideas on the defense of the socialist motherland are still valid for the entire revolutionary movement, and in our country especially they have always been the order of the day. "Our Revolution has proved itself capable of defending itself. And it defends itself with powerful means," said our Commander-in-Chief Fidel Castro at the closing of the 2nd Congress of the CDR [Committees for the Defense of the Revolution].

The proletariat can consolidate its political conquests and close ranks in the struggle against internal counterrevolution and its enemies abroad if, among other things, it relies firmly on a military apparatus that shows absolute loyalty to its revolutionary ideals.

Based on this Marxist-Leninist principle, our Commander-in-Chief Fidel Castro Ruz has always accorded great importance to matters relating to the creation, development and perfection of the FAR [Revolutionary Armed Forces], in view of the class-conscious and popular nature of the victorious revolution.

Law 600 of the Revolutionary Provisional Government of 16 October 1959 sets forth precisely and in detail the essential class-orientation of our FAR, it being stipulated in that document, among other things, that "The people count on their Armed Forces to maintain the law and freedom of the nation, the law and freedom inherent in the spirit of the people... [and] in peace time to guarantee absolutely the security of the people and the ideals of the revolution."(1)

The signing of that law gave the people the right to use class-oriented violence for the purpose of overcoming the exploitative strata and defending their gains; it also established the need to create the FAR with a new structure, organization and a well-defined historic designation conforming to the law's political objectives.

The FAR, born in the heat of combat, in an unequal struggle against a professional army equipped by the world's most powerful imperialist country, were created to defend the interests of the working class against the exploitative classes and their allies, international imperialism, fitting its political-social character to the role they are called upon to fulfill.

This class-oriented designation, in keeping with the popular and proletarian character of the Revolution, is reflected in the organization, ideological substance and multilateral training of the FAR.

The armed forces of our Socialist State constitute the armed contingent of the vanguard of our nation of workers, whose members, as characterized by the first secretary of the Central Committee of the PCC [Communist Party of Cuba], Fidel Castro Ruz, are "... examples of modesty, abnegation and loyalty to the revolutionary cause..."(2)

Our FAR are an army of blue-collar workers, farm workers and white-collar workers, from the standpoint of both their class-oriented social composition and the aims they fulfill during the transit period in the building of socialism.

The first ones in the history of social thought to put on a theoretical basis the problem of the social nature of the victorious proletariat's military organization, as well as the class-oriented substance of its organization, structure and development as a whole, were Karl Marx and Friedrich Engels. "The creation of the new socialist army," said Marx, "must become the prior condition to the dictatorship of the working class."(3)

The doctrine of Karl Marx and Friedrich Engels on the character of the working class's military organization received great impetus and development in the works of V. I. Lenin, who advocated, under the historic new conditions the need for a class-conscious viewpoing in the creation of the new socialist-state army. This army, by its very nature and substance, had to be proletarian, and the leader of the October Revolution put this principle into practice for the first time when he created and headed the building of the glorious Soviet Armed Forces.

"The new social classes that have come to power," wrote Lenin, "would not have been able then and would not be able now to reach their level of power and consolidation if they had not created a new army, with a new discipline and with a new military organization of the working class."(4) And on another occasion he affirmed: "Our army is class-oriented, against the bourgeoisie."(5)

The defense of the interests of the classes that came into power with the triumph of the Cuban Revolution of 1 January 1959 demanded a new military organi-

zation that would represent the Revolutionary, popular and proletarian State. The instrument that must serve effectively to accomplish that grandiose purpose would have to be created on the basis of class-conscious principles matching the scope of the Revolution, which would not be long in revealing its socialist character. One of the first steps taken by the Revolutionary Government was to dissolve the military apparatus that had cruelly repressed the people; the corresponding function was assumed by the glorious Rebel Army, which, as Camilo Cienfuegos said, "was none other than the people in uniform."

The bourgeois-landowners' so-called Constitutional Army had as its primary objective the continued spoliation of the people under a constant repression, and serving corrupt governments in collusion with Yankee imperialism.

As an instrument of that exploitive class's policy, that army could not serve a socialist state, which needs a military machine not crush and oppress the working masses but to defend their interests and gains.

The socialist army is a truly new army which, by its political-social character and essence, matches perfectly the nature of the socialist state and social system. Its nature manifests itself in a number of political and social ways.

In the first place, the army is one of the principal instruments of the socialist state. It serves as a decisive instrument of its domestic and foreign policy. "The army," said Lenin, "cannot and must not be neutral. Not to associate the army with policy is a hypocritical and false notion that serves only the bourgeoisie and Czarism, which, in the final analysis, always associate the army with their reactionary policies."⁽⁶⁾ In this regard, there is a multitude of facts in our continent that confirm how the bourgeoisie has used and continues to use the armed forces to attain its political objectives.

The governing circles of the United States have always accorded great importance to the meaning of the military aid they offer to the puppet governments of Latin America. This aid is one of the principal forms of struggle against the revolutionary movement, a fact that is recognized by the U.S. historian Thomas Bailly when he writes that "...The military aid extended to other countries serves as a means of struggle against communism."⁽⁷⁾ A very eloquent example of this fact is the aid being given to the government of El Salvador in its genocide against a people that is struggling for its most fundamental rights to freedom, as is also the increase in military aid to the executioners of the Guatemalan people and to the regime of Pinochet.

In an attempt to mask the essential class-orientation of their armed forces, the bourgeois ideologues and propagandists write in many of their articles in the Western press that the army must stay out of politics and distant therefore from all class struggles.

With this fallacy, they seek to lower a curtain of silence over the indisputable fact that, as a part of the state apparatus, the army is an instrument of the policies of the ruling classes and will never be free of the influences wielded by the interests of current policy.

The aim of this propaganda is nothing more than to mask the reactionary character of the contemporary army of the developed capitalist countries and to try to play down the class contradictions that exist between the generals and officers on the one hand and the soldiers and classes on the other.

One trait that is unique to the socialist army is its truly popular character. This takes into account its social composition as well as its inseparable bonds with the working masses, and hence its role in the political and social life of the country, in the building of socialism and communism.

The FAR, as we have pointed out above, have, since their birth, been imbued with a truly popular character, imparted to it by, among other things, the social composition of its members.

This class-oriented uniqueness goes back to the original selection of the founders of our FAR. The contingent that arrived aboard the yacht "Granma" on 2 December 1956 and landed in the Las Coloradas zone, in the old eastern province, had the following social composition: 16 laborers, 53 white-collar workers, 4 students and 9 intellectuals. This same class structure is found when one analyzes the makeup of the 1,012 members of columns 6, 7, 9, 17, 19 and 20 of the Second Oriental Front Frank Pais, which is as follows: 386 farm and industrial workers, 248 peasants, 137 white-collar workers, 34 intellectuals, 141 small business owners and free-lance workers, and 66 students. This all bears out objectively the popular character that has marked our FAR since their inception. (8)

At the present time, the personnel that make up our FAR, as well as their officer corps, come from the ranks of the workers, individual and cooperativist peasants, and from other social strata within our country, which "...without distinction as to race, color or national origin advance to all echelons of the FAR and of the forces of internal security and order, according to their merits and capabilities."(9) This class-oriented principle in the makeup of our new type army was approved by the general military service laws passed in 1963 and 1973 respectively.

The leaderships of our party and of the state have always given serious attention to the selection of the officer corps that goes into our FAR.

"A society, in the building of its socialism," states the thesis on the policy of training, selection, placement, promotion and elevation of officers, "must draw its talent in the first place from the working class, which must provide the leadership in the socialist construction process, and which accomplishes this mission in alliance with the peasants, workers and other working strata among the people, that is, in alliance with the overwhelming majority of the people."(10) This emphasis on the political in the sphere of training, selection, placement, promotion and elevation of the rank of officers is aimed at a continual elevation of the leadership role of the working class in the FAR.

A sociological survey of different categories of officers in some units of our FAR revealed the following composition: 37 percent from the blue-collar

working class; 23 percent from the services sector of the working class; 7.4 percent small farmers; and the rest from other social strata.

Thanks to the popular, class-oriented character found in the officer corps as well as the rest of the personnel in our armed forces, like those of our sister countries in the socialist community, no contradiction exists between the body of officers and the soldiers. Our FAR embody the true representation of the socialist type army. The relationship of mutual comprehension that exists between superiors and subordinates rests on the foundation of unity of homogeneous interests.

The relationship between the officers and soldiers of the armed forces of countries where capitalism rules supreme is different. In characterizing the social class-conscious composition of bourgeois armies, V. I. Lenin said that in them "The officers and generals belong in large part to the capitalist class or defend its interests." (11) and, because of their social position, these are over the other classes from which the soldiers and noncommissioned officers are recruited.

This social balance in the officer corps of the armed forces of the bourgeois states carries the seed of the contradictions that day by day grow sharper between their officers and soldiers. The magazine U.S. NEWS AND JOURNAL REPORT [as published] reported recently that in the U.S. Army there had been 96 cases of armed attacks by soldiers against officers, in which 37 persons were killed and 191 wounded, and that the following year there were 209 cases, involving 34 killed and 306 wounded.

At present, the officer corps of the principal imperialist countries is made up of the upper, intermediate and lower bourgeoisie, while the rank and file personnel consists of the working class, which constitutes the vast majority of the country's population. For example, according to figures published in the REVISTA SOCIOLOGIA EUROPEA, 50 percent of the officer corps in the U.S. Ground Forces comes from the upper and upper-intermediate strata such as: The commercial and industrial elite, the aristocracy and large landowners, the managements of large firms, etc; 45 percent comes from the intermediate strata: merchants, farmers, owners of small businesses, upper-echelon bureaucrats; and only 5 percent comes from the blue-collar worker and white-collar employee class. It must be pointed out that this 5 percent of the officer corps, consisting of workers and personnel employed in the services sector, as a general rule does not occupy upper hierarchical positions or positions of major responsibility.

The class-oriented principle applied in the structuring of their armed forces by the socialist states, with respect to the rounding out of their composition and in particular to the training of their officer corps, represents the general rule in the development of all socialist armies.

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9399
CSO: 3010/1906

COUNTRY SECTION

CUBA

STANDARDS COMMITTEE DESCRIBES SUDP SYSTEM

Havana JUVENTUD TECHNICA in Spanish May 82 pp 35-37

[Article by Rosario Fernandez Jaimerena; released by the State Committee for Standardization]

[Text] The use of symbols is widespread these days; their use includes the name of an institution, that of a specific organization or, as in this case, that of a system. The symbol indicated a subject matter or denomination, for, psychologically, that is much easier to remember. Therefore, it is our intention that, when you hear or see the symbol SUDP, you will immediately call to mind a set of 115 norms which establish rules and regulations relating to those organizations where a project is being developed with a single approach: we call this the Central System for Plan Documentation [SUDP].

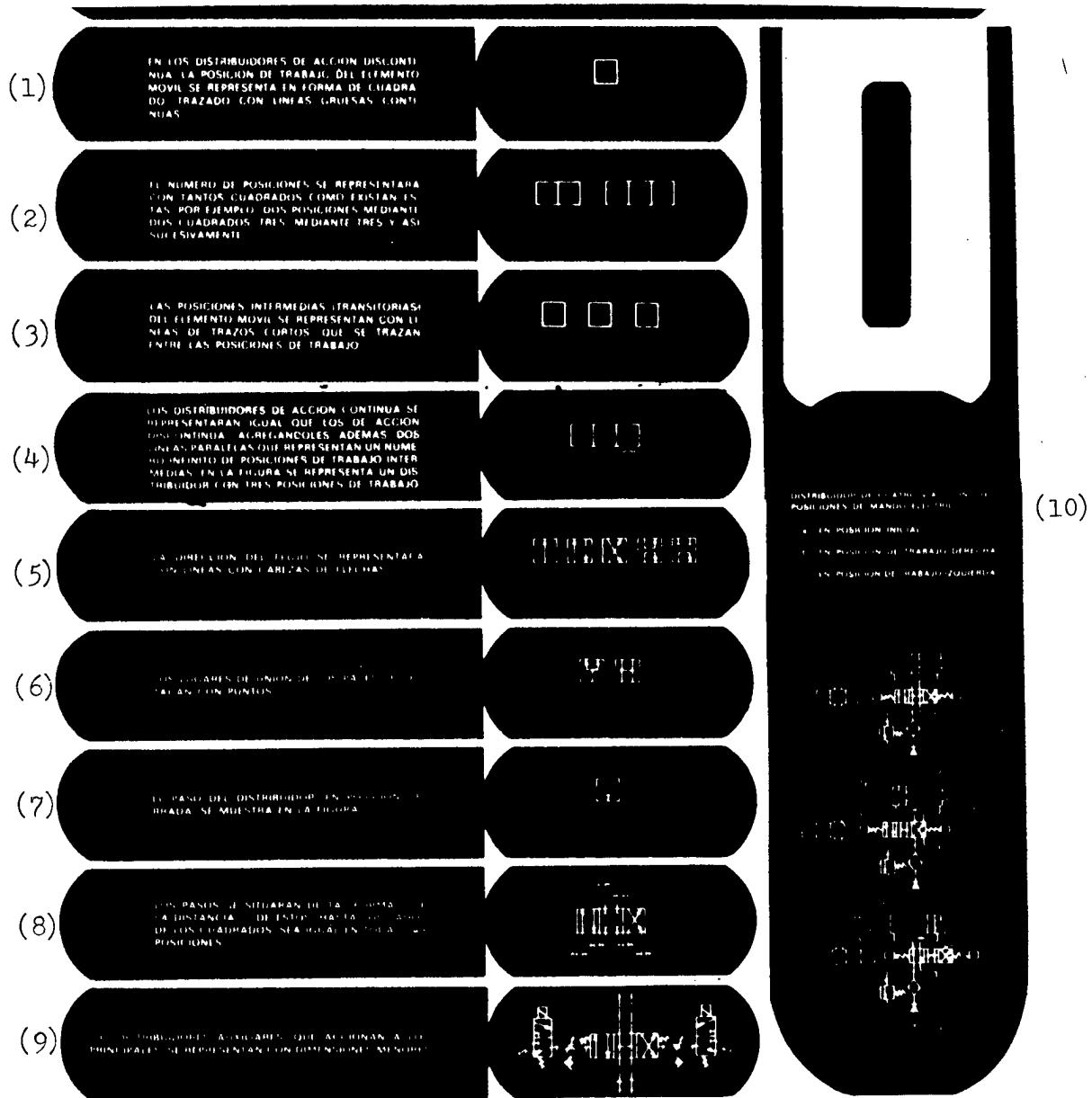
This procedure has a set of norms classified conventionally into seven groups dealing with questions such as the general principles of the plan, the classification of the plan documents, general rules for preparing plans, specifics for carrying out plans for articles pertaining to the machinery construction industry, general information for the handling of plan documents and the preparation of operating and maintenance documents; and, finally, norms for drawing up diagrams.

You might ask the reason for his system of norms.

One of the most important steps in the productive process is the planning stage, whether in the sphere of machinery construction or any other where the intention is to obtain specific articles. For this phase to be understood and perfectly analyzed by designers, producers and users, there must be a common language which will make it possible for all ramifications to be understood and the process in question to get underway without loss of time.

This means that, through the use of these norms, a document (plan, technical assignment, rubber stamp or others) will be legible to everyone whatever its source; and this greatly simplifies the operations involved, since, if there were no SUDP, it would be necessary to re-draw up documents which, after all, are unnecessary in production inasmuch as they belong only to the planning stage.

Central System for Plan Documentation



- (4) Continuous-action distributors will be represented in the same manner as discontinuous-action distributors but with the addition of two parallel lines which represent an infinite number of intermediate operating positions. The adjacent figure represents a distributor with three operating positions.
- (5) The direction of the current will be represented by lines converted into arrows.
- (6) Connections between two or more current directions are shown by points.
- (7) The distributor current in stopped position is shown in the adjacent figure.
- (8) The currents will be shown in such a manner that the distance between them and the sides of the squares are equal in all positions.
- (9) Auxiliary distributors which activate the main ones are shown with lesser dimensions.
- (10) Four-way distributor with three electrical-control positions.
 - a) In starting position.
 - b) In right operating position.
 - c) In left operating position.

[KEY to graphic on following page]

- (1) This norm establishes the rules for graphic representation-- simplified and conventional--of fastening components in assembly drawings. The norm does not exclude the possibility of the complete representation of the fastening components.
- (2) NC 02-03-15:78 "Central System for Plan Documentation. Fastening components. Graphic and conventional representation."
- (3) The simplified and conventional representations will correspond to those given in the table.
- (4) Name of the piece.
- (5) Representation of the piece:

Simplified	Conventional
Hexhead bolt.	
Countersunk, slotted bolt.	
Slotted, roundhead lag screw.	
Wing nut.	
Hinge pin.	
Washer.	
Nails.	
Cotter pin.	
Examples of simplified and conventional representations of joints.	
Cross-sectional view.	
Representation of joint:	
Simplified	Conventional
In cross sections	Diagrammatic
- (6) Hexhead bolt.
- (7) Countersunk, slotted bolt.
- (8) Slotted, roundhead lag screw.
- (9) Wing nut.
- (10) Hinge pin.
- (11) Washer.
- (12) Nails.
- (13) Cotter pin.
- (14) Examples of simplified and conventional representations of joints.
- (15) Cross-sectional view.
- (16) Representation of joint:

Simplified	Conventional
In cross sections	Diagrammatic



SISTEMA UNICO DE DOCUMENTACION DE PROYECTO

(1)

ESTA NORMA ESTABLECE LAS REGLAS PARA LA REPRESENTACION GRAFICA, SIMPLIFICADA Y CONVENTIONAL DE LOS ELEMENTOS DE SUJECCION EN LOS PLANOS DE ENSAMBLE. LA NORMA NO EXCLUYE LA POSIBILIDAD DE LA REPRESENTACION COMPLETA DE LOS ELEMENTOS DE SUJECCION.

(2)

NC 02-03-15-78 SISTEMA UNICO DE DOCUMENTACION DE PROYECTO
ELEMENTOS DE SUJECCION REPRESENTACION GRAFICA
Y CONVENTIONAL

(3) LAS REPRESENTACIONES SIMPLIFICADAS Y CONVENTIONALES CORRESPONDEN A LAS SEÑALADAS EN LA TABLA.

(5)

ELEMENTO DE SUJECCION	REPRESENTACION DE UNION	
	SIMPLIFICADA	CONVENTIONAL

(4)

(15)

TORNILLOS CON CABEZA CILINDRICA Y EXAGONO EMBUTIDO. (6)		
TORNILLO CON CABEZA AVELLANADA RANURADA. (7)		
TORNILLO TIRAFONDO CON CABEZA BOMBEADA RANURADA. (8)		
TUERCA DE MARIPOSA. (9)		
PASADOR CILINDRICO. (10)		
ARANDELA (11)		
CLAVOS (12)		
PASADOR ABIERTO (13)		

(14) EJEMPLOS DE REPRESENTACIONES SIMPLIFICADAS Y CONVENTIONALES EN LAS UNIONES.

(16)

ELEMENTO DE SUJECCION	REPRESENTACION DE UNION		EN SECCIONES	EN VISTAS
	SIMPLIFICADA	CONVENTIONAL		

It is worthwhile pointing out that the unification of all components which are a part of the technical preparation of production undoubtedly increases the effectiveness of that production and decreases to a considerable extent the time required to design and develop new items; it also assures that all

the country's organizations and companies agree in the choice and utilization of given methods and means of technical preparation of a particular type of production in accordance with the latest achievements of science, technology and experience.

SUDP has been used in our country since 1979. At present, a substantial number of firms of major importance in project development are using it with excellent results with regard to saving time and making the work more effective.

Moreover, the CEN (State Committee for Standardization) is working directly with 50 companies (including those previously mentioned) in the process of implementing the set of state norms in accordance with SUDP. Periodic inspections are made at those companies to verify the results of the system directly applied to national economy.

At the Standardization Research Institute (ININ) steps are taken to dispel any doubts any of our country's firms may have with regard to the establishment of this all-purpose system; this is in addition to the work CEN's territorial representatives carry on in this respect.

It is well to stress that SUDP offers many advantages among which is the possibility of the mutual exchange of plan documents between various institutions and organizations without the need to revamp those documents; facility in unifying the preparation of plans for various articles; the mechanization and automatization of the processing of information contained in the documents; and the operational preparation of the documentation to get the production article underway as rapidly as possible, among others.

Another aspect we do not want to neglect is that the adoption of SUDP is based on the need to speak the standardized language of CEMA and the socialist countries which are the principal providers of our technology and the raw materials we use. This method is based on that presently being developed in the Soviet Union and on aspects of various international norms connected with this subject.

This means that, with the implementation of SUDP, when documentation is received in our country from a country which is a member of CEMA, it will not be necessary to rework that documentation inasmuch as our technicians and draftsmen will be familiar with its system of symbols, and this will undoubtedly result in a saving of effort and material; and, especially, it will save time in achieving a high level of productivity.

We are convinced that with the adoption of this all-purpose system of norms, we shall be taking one more step in the arduous task of economizing and producing with quality, and this is one more way to work in harmony with the policy outlined by our party--namely, to produce more with better quality and at less cost.

8568

CSO: 3010/1904

BENAVIDES DISCUSSES WORK ORGANIZATION, WAGE REFORM

Havana CUBA SOCIALISTA in Spanish Mar 82 pp 62-93

/Article by Joaquin Benavides Rodriguez, alternate member of the Central Committee of the Communist Party of Cuba and minister-president of the State Committee for Labor and Social Security: "Law of Distribution Based on Work, Wage Reform in Cuba"/

/Text/ One of the basic objectives of the economic and social guidelines for the 5-year period 1981-85, approved by the Second Party Congress, is to encourage work and wage organization.

The social basis of our society is the working class and the other urban and rural workers and exploitation of man by man does not exist in it. The guidelines establish that work organization and just pay "is a relevant socioeconomic task of the socialist state, one of the basic lines of the political leadership of society."*

Also the Second Party Congress established the task of creating a solid work organization in the 5-year period with the following characteristics: "This organization must be based on the principle of payment based on the quantity and quality of work, payment by piece as well as by time, and standardization must be developed as a measure of the cost of work."** It emphasizes that its application must be realistic--that is, according to the degree of development of the productive forces.

As is known, distribution is an integral part of the process of social reproduction that links production to consumption. Its form and content are determined in each socioeconomic system by the nature of production relationships.

In "Critique of the Gotha Program," Karl Marx discussed the link between consumption and production. He tells us that the distribution of the means of consumption is always a result of the distribution of the conditions themselves of production which characterize a specific mode of production. Under

*"Lineamientos economicos y sociales para el quinquenio 1981-1985" /Economic and Social Guidelines for the 5-Year Period 1981-85/, Editora Politica, Havana, 1981, p 26.

**Ibid., p 27.

the capitalist mode of production, that distribution is based on the fact that the material conditions of production--that is, the means of production --belong to the capitalist. The proletariat only owns the personal condition of production--that is, the work force. In conclusion, Marx indicates: "With the elements of production distributed this way, the present distribution of the means of consumption is a natural consequence. If the material conditions of production were the collective property of the workers themselves, this in itself would mean a different distribution of the means of consumption."*

Under the capitalist production system, distribution has an exploitative nature which is conditioned by the situation of the members of society with respect to the means of production. The part of the social product that corresponds to the salaried workers who are excluded from the means of production is determined by the value of their work and takes the form of wages. The part of the social product that corresponds to the capitalists, owners of the means of production, is determined by the degree and amount of exploitation to which the workers and peasants are subjected and takes the form of profits.

In a socialist society where there is social ownership of the means of production and the exploiting classes are eliminated, the product that is created is also social property and is distributed in the interest of the owners of the means of production--that is, the workers themselves.

Of course, the entire product is not distributed to satisfy individual needs. As Marx also tells us, part of that product must be used to replace the means of production consumed, to increase and develop production, to satisfy the needs of society, defense, state administration, etc.

The socialist mode of distribution is distribution based on work expressed in Marx' formula--/from each according to his ability, to each according to his work/ /in italics/--which acquires the nature of economic law. Distribution of the basic part of the social product used for the individual consumption of the workers is based on this law.

The essence of the law of distribution based on work is the need to maintain proportionality between the part of the individual consumption fund that corresponds to the worker and his work for social production. The worker's level of consumption must correspond to his contribution to social production.

Wages Under Socialism

The essence of wages under socialism is radically different than that of wages under capitalism.

*K. Marx, "Critique of the Gotha Program" in K. Marx and F. Engels, "Selected Works," Editorial Progreso, Moscow, s/a, pp 335-336.

In the first place, wages under socialism reveal the economic interests of all society, of the collective of socialist enterprises and of each worker. Therefore, the principle that what is useful to society must be useful to each work collective and useful to each worker must be guaranteed in wage organization.

In the second place, under socialism wages are determined by the volume of the individual consumption fund and by the quantity and quality of work.

In the third place, under socialism the increase in wages is not limited by the cost of the work force, as occurs under capitalism, but increases with the increase in national revenue.

Under the conditions of the construction of socialism, wages become the basic source of income and improvement of the standard of living of the workers. Its size at each stage of the development of socialism must be sufficient to permit the workers to satisfy their material and cultural needs.

In turn, wages under socialism must have a stimulative nature; that is, they must contribute to increased work productivity, increased efficiency, savings, improved quality, better distribution of the work force in important branches, regions and enterprises, the incorporation and stabilization of the work force, especially skilled labor, etc.

Under socialism, wages and work productivity are dialectically interrelated. This is expressed through the influence that wages exercise to stimulate increased work productivity and what this increase means for increased wages. It is conditioned by the interaction between the growth of production and the increase in consumption.

In order for the relationship between wages and work productivity to offer efficient results, appropriate proportions between their increases must be established.

The concrete proportions between increased work productivity and wages are determined by many factors but normally there must be greater growth in work productivity than in the average wage. This is aimed at the achievement of unity in the interests of all society, the collective of enterprises and each worker. In other words, social revenue and the possibilities for development of the economy in general and the enterprises in particular increase and, therefore, the wages of the workers increase.

The proportions between work productivity and wages are revealed in the dynamics and structure of production costs. The objective requirement is that the average wages of the workers grow on the basis of increased work productivity but subject to limits that permit, as a general rule, a decrease in the cost of wages per unit of production and service. This means a faster increase in work productivity than in the average wage.

In each concrete case, the amount of increase in wages is dependent on the factors by which work productivity increases.

When work productivity increases because of factors that depend on the skill of the workers--that is, when the quantity and quality of the work that they contribute to society increase--wages must grow in direct relation to the increase in work productivity, according to the law of distribution by work.

When work productivity increases mainly because of factors that are not directly related to the quantity and quality of work of a concrete group of workers--as in the case of implementation of new technology, mechanization and automation of the production process, etc.--wages increase to a lesser degree than work productivity. However, in all cases, the workers and society as a whole receive the benefit of the increase in work productivity.

The proper correlation between the increases in work productivity and the average wage has special significance for the system of proportions in the national economy itself since, in the last instance, this expresses the relationship between production and consumption and between accumulation and consumption.

It is also necessary to maintain higher increases in work productivity through wage organization, basically as a means to maintain a constant stimulus for the workers to increase their productivity.

If the average wage grew faster than yield, inevitably the time would come when interest in increasing the latter would fade. This would reflect negatively on fulfillment of the economic indicators of the enterprises, branches and the economy as a whole. Eventually, violation of this principle slows down improvement of the standard of living of the workers.

General Wage Reform, Basic Characteristics

At the beginning of 1980, the executive committee of the Council of Ministers agreed to proceed with the RGS /General Wage Reform/. Its main objective is to aid the application of the socialist principle of distribution based on the quantity and quality of work contributed.

Other important objectives of the RGS are as follows:

To benefit the lower-income workers by raising the minimum wage and also increasing higher wages to stimulate the more skilled technicians and the leaders of important economic enterprises. The highest wage is now 5.29 times higher than the lowest wage. The rates on the previous scale dating from 1963 were more than 15 years old so they no longer satisfied the demands of our productive organization quantitatively or qualitatively. This relationship was 4.33 times on the old scale.

To establish the principle of payment for work or position and not for degree for technical personnel and to make the degree a requirement for a position. Also to establish the principle of evaluating the work of the technicians by the results of their work. Based on this, they can rise on the wage scale if their work is satisfactory or go down if there is a verified decrease in their efficiency.

To differentiate the wages of the leadership personnel based on their different functions and degrees of responsibility. Also the existing levels of hierarchy between the organisms of the central state administration, the provincial and municipal organs of people's government and the characteristics and economic volumes of the enterprises and other existing organizational units are taken into account. The principle is established that the leader must possess or attain qualification and, correspondingly, must receive a higher wage than the most skilled personnel under him as a general norm.

To establish different wages for the same leadership or technical position based on whether the worker has all the requirements to hold the position or not.

To permit better distribution of the work force toward branches and regions that have priority in economic development through wage stimulus.

To give significant weight in wage composition or structure to the flexible part represented by bonuses. This contributes to increased production and productivity, improved quality, the achievement of substantial savings and overfulfillment of plans.

To closely and organically tie the RGS to the generalized and integral effort to encourage work organization and standardization, work discipline, tying wages to yield through payment for piece and other systems and forms of payment in order to achieve considerable increases in work productivity and general economic efficiency to help finance the large expenditures that the reform implies.

Until now there have been five occupational categories in our country that group the workers according to the role that they play in the production or service process: laborers, administrative workers, service workers, technicians and leaders.

The main changes in the wage situation of the workers grouped in each of the occupational categories are as follows.

Laborers

Laborers represent 54 percent of the work force. The minimum wage for industrial, construction and transportation workers and those in other production activities increased from 81.96 to 93.39 pesos. It must be pointed out that there used to be two wage subgroups below the industrial scale for manual agricultural-livestock workers with wages of 62.90 and 70.52 pesos per month. Now the minimum wage for these workers is 81.96 pesos--that is, the past minimum wage for industrial workers.

This difference exists because there are still differences between the complexity of the work of industrial workers and manual agricultural workers. The former is greater than the latter.

The positions of laborers are distributed in the first nine groups of the scale with a maximum wage of 254.02 pesos and increases for all laborers of between 10 and 13 pesos a month.

Administrative and Service Workers

The administrative and service workers represent 20 percent of the work force. Their minimum wage increased from 75 to 85 pesos with a maximum wage of 231 pesos per month.

Technicians

Technicians represent 18 percent of the work force. Their positions are distributed in 19 groups on the scale--from group 4 to group 22--with a minimum wage of 128 pesos and a maximum of 450 pesos per month. There is a "trident"--that is, three wage levels--for each technical position: a minimum, an average and a maximum. The minimum corresponds to the necessary requirements to hold the position; the other two are mechanisms of stimulation based on work results of the technician. The work of the technicians must be evaluated every 2 years as a norm except for those receiving the maximum wage for the position; in that case, the evaluation is done every 3 years. The time between evaluations of technicians who receive "exceptionally positive" or "notoriously negative" results can be reduced to a year.

When the result of an evaluation of a technician is satisfactory and he is receiving the minimum or average wage established for the position, his wage will be set at the next higher level. If he is receiving the maximum wage, he keeps it.

If the result of the evaluation of the work of a technician is not satisfactory and he is receiving the average or maximum wage established for the position, his wage will be set at the next lower wage level.

When the result of the evaluation of the technician is not satisfactory and he is receiving the minimum wage established for the position, one of the following alternatives can be chosen: he can remain in the position for a year subject to a new evaluation of his labor efficiency at the end of that time; he can be offered a less complex position; or the labor relationship can be ended.

A new principle was established for this category of workers. As a general rule, recent graduates are placed in basic economic entities. Experience and the results of their work will advise gradual promotion.

For the first 2 years, wages are set at 111 pesos for graduates of the basic level, 148 pesos for graduates of the intermediate level and 198 pesos for graduates of the advanced level who hold positions which require their qualifications. This can be changed to 1 or 3 years based on their work results.

Once this period is over, the work of the recent graduate is evaluated. From then on, he is subject to the same wage mechanisms applied to the rest of the technicians.

Leaders

When fixing the wages of leadership personnel, institutional, structural and territorial factors are taken into account based on the principle that, as a rule, each leader should receive higher wages than the personnel under him. However, there are some very skilled technicians who receive larger wages than even a minister.

The enterprises have been classified into eight groups, taking into consideration the value of production and basic means, socioeconomic importance, the number of workers and their average skill, among other indicators. A wage of 400 pesos has been set for a leader of an enterprise in the first group. This is equivalent to that of a vice minister of an organism of the central state administration.

For those directly responsible for production, the criterion of relating their wages to those of the most skilled worker under them has been established, always assuming that they possess the same qualifications.

In the RGS, brigade chiefs fall under the occupational categories of laborer or service worker, not leader.

For the great majority of leadership positions, required qualifications and years of experience have been set, establishing two wage levels: a maximum if the leader has the knowledge and years of experience required; and a minimum applicable when he lacks one of those two requirements.

Execution of the wage increase measures in the RGS in the enterprises and budgeted units is dependent on the achievement of substantial improvement in work organization and standardization which leads to increased productivity and efficiency.

For the intermediate and superior levels of leadership in the enterprises, implementation of wage increase measures is dependent on fulfillment of the established requirements.

The adoption of that mechanism caused unprecedented but appropriate concern in the entire system of economic and production leadership of the country to increase the degree of work organization and fulfill the requirements.

Those requirements are:

To standardize all work operations possible.

To apply the form of payment for yield to all feasible workers or any other mechanism of payment for work results.

To review standards or equivalent systems to measure work and adapt them to the corresponding resolution.

To increase the amount of time working under standards as much as possible.

To revise the number of indirect production workers.

It was established that no enterprise that planned a decline in the economic efficiency indicators could obtain the increases in the RGS. For this effect, decline meant when the enterprise, in its annual plan, forecasted a lower increase in productivity than in the average wage, a higher cost of wages per peso of production than in the previous year or less than a 60-percent increase in production or services through increased productivity.

For the implementation and supervision of the application of the reform, the executive committee of the Council of Ministers authorized the creation of provincial committees made up as follows: the member of the executive committee of the local people's government organ in charge of labor as the chairman; the chiefs of the labor and finance directorates of those organs; the delegates of the National Bank of Cuba and the State Committee for Statistics; the secretary general of the provincial committee of the CTC /Central Organization of Cuban Trade Unions/; and a representative for each one of the more important economic activities in the territory.

The two most important functions of these committees have been to authorize the application of the wage measures in the reform in their territory once it has been verified that the work organization measures established as a requirement have been implemented in the economic entity in question and to supervise development of the application of the wage measures through meetings, direct inspections of the enterprises and other forms of supervision.

These committees have been functioning since June 1980 and we can state that their creation is a decisive link in the organization of such a complex task and its successful execution. A great sense of responsibility has prevailed in the work of these committees. Through consistent demand for fulfillment of the established requirements, they generally guarantee that the application of the reform has been developed according to the objectives indicated by the government.

Present Situation, Partial Results of Application of RGS

It will still take time to make the final balance of the results of the application of the RGS. Nevertheless, the information that we have permits us to characterize its application as well as offer national and sectorial results. Although partial, they constitute a faithful reflection of the effect that it has had on the behavior of the economic efficiency indicators.

From 1 July 1980 to 30 November 1981, the wage reform was applied to 2,478,701 workers representing approximately 94 percent of all the workers in the country.

Of that figure, 1,885,105 are workers in enterprises; that means 76 percent concentrated in 2,352 enterprises. The rest--593,596 or 24 percent--work in budgeted organizations.

The wage cost of the reform as of 30 November 1981 was 454 million pesos. The average monthly increase per worker was about 19.22 pesos. There was a

20.15 peso increase in enterprise activity and a 16.25 peso increase in the budgeted organizations.

These figures include the measures that were applied to the agricultural and industrial workers of the sugar sector within the framework of the reform. They do not include wage increases obtained by workers during that period because of great labor efforts. Through extraordinary work days, overfulfillment of norms, bonuses, etc., more than 85 percent of the increased production achieved from January to November 1981 was sustained by work productivity.

As of November 1981, work productivity was overfulfilled by about 5.5 percent and grew more than 10 percent compared to the same period in 1980.

The increase in the average wage meant that planned wages were overfulfilled by about 4.5 percent.

Between 1980 and 1981, the number of workers who received wages for yield almost doubled from 638,000 in December 1979 to 1,232,000 in December 1981. This meant that increased production was achieved mainly through the yield of the workers and not through an increase in the work force. This permitted the increase in the average wage.

Wages can and should play an important role in the distribution and redistribution of the work force toward the spheres, sectors and branches of the economy with priority in the economic policy of the party and the state. This is reflected in the structure and dynamics of the average wage.

It is interesting to show the behavior of the average monthly wage comparing the first half of 1980--before the application of the reform began--to the first half of 1981.

Average Monthly Wage

<u>Sector</u>	<u>1st Half 1980</u>	<u>1st Half 1981</u>	<u>Ratio 1981-1980</u>
Production sphere	145.6	171.9	118.1
Nonproduction sphere	149.1	160.8	107.8
Industrial sector	157.5	179.1	113.7
Sugar industry	182.3	230.5	126.4
Construction sector	160.3	183.5	114.5
Agricultural-livestock sector	127.1	165.4	130.1
Cane agriculture	135.1	190.5	141.0

The fact that the average monthly wage of the production sphere is higher than the nonproduction sphere in dynamics as well as in absolute quantity has great significance.

The dynamics of the average wage in the production sectors, especially the sugar industry branches and cane agriculture, on which the development of the

country is based also acquires great importance and will exercise a decisive influence in the future on improvement in the quantity and quality of labor resources. For this reason, within the framework of the wage reform and using its wage instruments, special measures of wage stimulation were adopted by the executive committee of the Council of Ministers.

The dynamics of the average wage should be analyzed with the factor that directly influences the total amount of payment for work.

As is known, it is not possible to apply the socialist principle of distribution based on the quantity and quality of work without appropriate work standardization. In turn, work standardization is the technical basis of work organization.

Without work standards, production cannot be planned or evaluated and levels of productivity of jobs of different complexity cannot be compared. Also payment for work cannot be organized.

Therefore, the tasks involved in the increased level of work standardization, improved quality of standards and their use as the basic element to organize work and wages were established as indispensable requirements for the new wage rates of the RGS.

Let us look at the behavior of some indicators that characterize the situation of work standardization.

In September 1979, 72.7 percent of the workers who work in standardized jobs worked under standards. This rose to 80.6 percent in June 1980, 85.1 percent in December 1980 and 86.6 percent in September 1981.

In September 1979, 59.3 percent of the time workers who worked in standardized jobs worked under standards. This rose to 76.5 percent in June 1980, 82.3 percent in December 1980 and 83.8 percent in September 1981.

One of the major tasks in the application of the RGS due to its economic and labor significance is updating or revision of work standards. To get an idea, it suffices to indicate that, in 1980, 840,281 standards were updated; this represented 60 percent of all those in the country that year. As of September 1981, a total of 1,287,202 standards had been updated and it is estimated that 1,604,534 were done by December 1981. This was one of the measures that has contributed most, with the increased number of workers receiving wages for yield, to achieve increased work productivity and finance part of the costs of the reform.

In spite of the progress achieved, there is still much to be done in the field of work standardization.

The present situation is characterized by generally inadequate quality in work standardization, serious deficiencies in organization of work standardization, lack of focus on the solution of the problems and shortage of cadres with the proper training.

We must emphasize that it is indispensable to increase quality in standardization through the correct application of the methodological documents issued.

It is necessary to use standardizers in standardization activities. Instead of devoting themselves to their basic work--drawing up and improving standards --many of them use their time supervising the deficient standards in the country. Consequently, it is necessary to increase the skill of the standardizers so that they can do better work.

Although the standardization methodology went into effect in May 1981, it has been verified that the document has been used very little.

Standardization work must mean stricter elaboration of the standards so that frequent updatings that can discourage the productive efforts of the workers are not necessary.

The majority of the standards established have an elemental nature. In order to avoid unjustified wage increases, the CETSS /State Committee for Labor and Social Security⁷ dictated Resolution 236 providing for revision of standards when their overfulfillment exceeds certain limits. Although this resolution has played an important role in updating standards, it is often used as a mechanism to "adjust standards" which does not really prevent the standards from being elemental.

In many cases, indiscriminate revision of standards has negatively influenced the use of reserves of increased productivity by the workers. This must be corrected without renouncing the principle of revising standards that do not correspond to existing technical-organizational conditions.

There are still problems in primary supervision of standards due to noncompliance with information provisions as well as the opinion that the models of the system must be modified to reflect the present reality to permit analysis of fulfillment.

These problems are being carefully studied. This year and in the coming years of the present 5-year period, there must be serious and systematic work to resolve the deficiencies that create problems in the consistent application of the principle of payment for work.

Details of Application of RGS in Certain Sectors, Branches of National Economy; Examples, Experiences

The executive committee of the Council of Ministers approved a set of organizational and wage measures within the framework of the application of the RGS in September 1980 for the sugar harvest, the main economic activity in the country.

These measures included increased rates, expansion of the bonus system and payment for abnormal labor conditions, seniority and night shifts. An annual paid vacation was established for agricultural workers and a weekly break for workers in the sugar industry through the gradual introduction of the fourth brigade.

The decision to establish a branch coefficient of about 15 percent for the cane and sugar branches due to socioeconomic interest has special significance. There is 10 percent more for regular cutters belonging to cane enterprises.

A new mechanism was established for mobilized cutters to give them 40 percent of the wages that they receive at their normal work center as a guaranteed wage. Starting with that sum, everything additional that they receive in wages will be based on the quantity and quality of the cane cut based on fixed piece rates and bonuses. The volunteer cutters that do not choose this system can work under the past system, receiving the wages that they received at their normal work center. However, in this case, they no longer have the right that they had before to receive the wage difference for extra cane cut over the norm.

At the end of the 1980-81 sugar harvest, the new rates of the wage scale had been applied to 310,811 workers, 215,475 in cane agriculture and 95,336 in the sugar industry.

The branch coefficient was another measure that was applied to all the workers in cane agriculture and to 34,921 workers in the 50 sugar mills where the fourth brigade was implemented during the last harvest. It was planned that, by the end of the present 1981-82 harvest, the weekly break will be applied in all the sugar enterprises.

Bonuses were paid to 50,815 workers for fulfillment of the sugar production plan and oil savings.

In the 1980-81 harvest, 22,595 cutters fewer than planned and an average of almost 12,000 cutters less than in the previous harvest were used to grind 425.7 million arrobas of cane over the plan. The productivity of the cutters increased more than 17 percent compared to the 1979-80 harvest.

There is still not complete information about the new system established for mobilized cutters. However, INICT /National Institute for Scientific Research on Work/ did a study in 13 cane enterprises during the 1980-81 harvest and the results are very encouraging. Below are some facts.

In the enterprises analyzed, the harvest was done with 43 percent fewer mobilized volunteers than in the 1979-80 harvest. About 92 percent of the volunteer cutters opted for the guaranteed 40 percent of their wages; the rest (8 percent) chose their total wages from their normal work center. Those who chose the guaranteed 40 percent cut with a productivity of 319 arrobas per man-day; wages for 100 arrobas cost about 2.87 pesos. Those who opted for the wages that they received at their work center cut with a productivity of 95 arrobas per man-day; wages for 100 arrobas cost about 8.13 pesos or almost three times more than under the new system.

In those enterprises, the added expense of the wages of volunteers compared to the wages that should have been paid based on the cane cut was about 128 percent during the 1979-80 harvest while it only reached 28.2 percent in the 1980-81 harvest or a third of what had been paid in the previous year. The table below reflects these data with amounts in thousands of pesos.

<u>Harvest</u>	<u>Paid</u>	<u>Wages W/Cane Cut</u>	<u>Added Wage Expense</u>	<u>Percentage of Added Expense</u>
(1)	(2)	(3)	(4)=(2)-(3)	(5)=(4)/(3)
1979-80	2,664.6	1,168.6	1,496.0	128.0
1980-81	2,168.6	1,690.9	477.7	28.2

In the agricultural-livestock sector, especially in agricultural activities, the basic effort and mechanisms of the wage reform have been aimed toward three basic objectives:

To stabilize a normal work day of no less than 8 hours which increases exploitation.

To relate the productive effort of the workers in the sector and their wages as closely as possible to the results of production.

To achieve substantial increases in work productivity as a result of the two preceding objectives.

An indispensable requirement for the application of the new rates approved by the wage reform is to establish the system of payment for finished field in agricultural activities.

Under this system, wages are paid for the fulfillment of a certain number of jobs constituting the agreed on task. Its use is generally connected to determination of the period of time for the complete execution of the agreed on task. Therefore, the workers know in advance the volume of work to be done and the amount of wages stipulated for fulfillment. In reality, this is a variant of payment by piece that is also known in agriculture as payment by contract although the "contract" is based on work norms and the corresponding rates for work on the scale.

At the end of 1980, with the culmination of the application of the new rates of the reform to the agricultural-livestock workers, the system of payment for finished field had virtually been implemented in all state agriculture. It can be considered that this system of payment is consolidated now.

That organizational achievement in our agriculture in itself meant a considerable improvement in exploitation of the work day.

With this objective achieved and based on an experiment that began in the La Cuba food enterprise in Ciego de Avila, the effort to extend to all agriculture--cane and other--the so-called system of tying the man to the area began.

The man tied to the area is the most advanced expression of the system of payment for finished field. It is different because it connects the man or group of men to a fixed area, making this their regular "job." The size of

the area depends on the agrotechnical characteristics of each crop, the level of organization, the present level of development of the organization of production, etc. It has the advantage that, based on the specific technological chart for the activities corresponding to the crops grown in the area, the worker knows in advance--2 weeks, 1 month, 3 months or even 1 year--the different tasks that he must do as well as the wages that he will receive for completion on time and with the required quality.

This system makes it possible for the agricultural workers who work under that principle to adapt their work to the demands of the crop that they care for, stimulated to work the necessary hours. At the same time, it makes it easier to do different tasks which translates into rationalization of the necessary labor expenses compared to those required to do it independently. It also permits a notable increase in work productivity.

The Ministry of Agriculture is giving a strong push to tying the man to the area in basic crops and consolidated work can already be seen in some enterprises.

The enterprises of that ministry have managed to apply that system to almost 18,000 caballerias, tying about 31,400 men. This means a ratio of 1.74 men per caballeria or 1 man taking care of 0.57 caballerias.

In tuber and root crops, there are 3,195 men taking care of 1,034 caballerias, a ratio of 3.09 men per caballeria. Before, the ratio was about 5.68 men per caballeria. In other words, there is a savings of 2.59 men per caballeria.

There are 2,360 men tied to 1,412.7 caballerias of bananas for a ratio of 1.67 men per caballeria compared to 4.50 men before, a savings of 2.83 men per caballeria.

There are 9,352 workers tied to 4,173.7 caballerias growing coffee. This means 2.24 workers per caballeria compared to 5.20 workers before, a savings of 2.96 men per caballeria.

There are 8,555 workers tied to 1,106.8 caballerias of tobacco. This gives a ratio of 7.72 workers per caballeria compared to 14.80 before, a savings of 7.08 men per caballeria.

The system of the man tied to the area is an advanced form of payment for finished field and constitutes the basis for implementation of a superior form of work organization and production: the integral (permanent) production brigade.

There are 19 of these now functioning throughout the country experimentally and the results are encouraging.

The cane enterprises of the Ministry of the Sugar Industry have applied this system to some 43,000 caballerias. They needed about 44,000 men, a ratio of 1.02 men per caballeria. The cane enterprises in the following provinces

did best: Cienfuegos, 0.65 men per caballeria; Matanzas, 0.68 men per caballeria; Santiago de Cuba, 0.75 men per caballeria; and Guantanamo, 0.88 men per caballeria.

A concrete example of these results can be seen at the George Washington cane enterprise in Villa Clara Province where two districts were taken as examples. The results before and after tying the workers to fixed areas are as follows:

District 2

<u>Indicators</u>	<u>Before</u>	<u>After</u>	<u>%</u>
Total area (cab.)	265.4	279.0	105
Tied area (cab.)	----	279.9	---
Workers used	424	247	58
Workers tied	---	247	---
Wages paid (pesos)	65,296	44,954	68.8
Total area per worker	0.63	1.13	1.79
Tied area per worker	---	1.13	---
Average wage (pesos)	154	182	114
Cost of wages per cab. (pesos)	246	161.1	65

District 5

Total area (cab.)	111.4	122.9	110
Tied area (cab.)	---	122.9	---
Workers used	198	146	74
Workers tied	---	---	---
Volume of activity (cab.)	110.9	122.6	110
Wages paid (pesos)	31,086	26,426	85
Total area per worker	0.56	0.84	150
Tied area per worker	---	0.84	---
Volume of activity per worker	0.56	0.84	150
Average wage (pesos)	157	181	115
Cost of wages per cab. (pesos)	279.0	215.0	77

In the Ministry of Construction, the application of the RGS has been accompanied by a great effort to organize the work force. This meant that work productivity increased about 17 percent in 1980 and the average wage increased about 2 percent. As of November 1981, work productivity had grown about 24 percent and the average wage about 15 percent.

The efforts have materialized in a set of work and wage organization measures that can be summarized as follows:

Organization of the work force into crews.

Application of wages based on work results to all workers feasible.

Updating of work standards.

Application of new qualifications for positions, especially for laborers and technicians.

Application of a new wage organization for those directly responsible for production and for the leadership personnel of the construction groups.

Decrease in the number of indirect production workers.

Application of payment for lodging, priority work and night shift. (These measures were not adopted throughout but in priority and major projects where it is necessary to mobilize large contingents of workers from distant places.)

Some examples of the results achieved in enterprises of the Ministry of Construction as of November 1981 compared to the same period in the previous year can give an idea of the work accomplished.

Architectural Projects Enterprise No. 10 of Matanzas increased its productivity about 50 percent and the average wage about 18 percent. The cost of wages per peso of production was reduced about 21 percent.

Architectural Projects Enterprise No. 5 of Havana increased its productivity about 51 percent and the average wage about 15 percent. The cost of wages per peso of production was reduced about 24 percent.

Engineering Projects Enterprise No. 18 of Granma increased its productivity about 38 percent and the average wage about 26 percent. The cost of wages per peso of production was reduced about 9 percent.

Industrial Projects Enterprise No. 4 of Matanzas increased its productivity about 20 percent and the average wage about 8 percent. The cost of wages per peso of production was reduced about 10 percent.

In the other sectors of the economy--production as well as services--there has been equal work to meet the requirements of the reform. To a greater or lesser degree, all present achievements that could be pointed out.

For example, industrial, transportation, commerce and other activities have expanded application of bonus systems. In this process, there have been cases of poorly planned or poorly applied systems which do not guarantee increased efficiency to completely finance the wage expenses incurred. Therefore, far from contributing to decreased costs, they increase them. A study was made in selected enterprises in the provinces of Pinar del Rio, Havana and Matanzas to learn the results obtained in the implementation of bonuses. This detected deficiencies and problems in the use of this mechanism of stimulation, especially the following:

There is no control of the application of this mechanism of stimulation nor are there analyses of results.

The knowledge of the workers, administrative and union leaders of the principles and rules that govern the application of bonuses is inadequate.

The enterprises have had very limited participation in drawing up regulations for bonuses.

The regulations for bonuses have not been reviewed annually as established by Decree No. 50.

The use of indicators to stimulate savings and quality is very limited.

Nevertheless, the role that the bonus has played to stimulate increased work productivity, quality and savings in the enterprises where it has been implemented correctly is undeniable.

There are many examples of bonus systems whose results are very encouraging. One is the system implemented in enterprises of the Ministry of Basic Industries, aimed at saving fuel and other supplies. We mention it due to its importance.

The total results obtained during 1981--in Moa and Nicaro until 30 June--in a group of enterprises in that ministry are below. The enterprises include the generating enterprises, the Com Pedro Sotto Alba nickel enterprise in Moa, the Com Rene Ramos Latour nickel enterprise in Nicaro, the manufactured gas enterprise and the petroleum derivative enterprises in Havana City, Santiago de Cuba and Cabaiguan.

<u>Indicators</u>	<u>Amount</u>
Savings in fuel, etc.	39,278.54 TM
Savings in value	2,283,879.40 pesos
Bonuses paid for savings	458,062.68 pesos
Economic effect	1,825,816.72 pesos

In other words, for every peso paid in wages there was a savings of 4.44 pesos in fuel and other supplies.

It is important to note that one of the positive effects of these bonuses is the gradual improvement of the basic consumption norms at the enterprise level. This will help increase the efficiency of these production processes.

At present, all the bonus systems implemented in the country are the subject of a review in order to correct defects they might have and convert them into effective instruments to stimulate efficiency.

The positive aspects and achievements in the application of the RGS have mainly been expressed since this is a general phenomenon.

However, in its concrete application, the reform has not been free from problems, deficiencies, violations, etc. They reflect a trend, still not eliminated in our economic work, of facileness, superficiality and softening. There are methodological and control problems as well as hasty decisions made under the pressure of solving a problem which practice has subsequently demonstrated to be incorrect.

Examples of this are:

In some organisms and provinces, it has been discovered that the levels of efficiency approved for the reform are not compatible with the levels actually achieved.

The Ministry of Agriculture itself has reported that, at the end of September 1981, more than 180 of its enterprises showed a decline in economic indicators which should have had a favorable behavior according to the objectives proposed barely 6 months earlier.

Also an inspection of 78 of the 203 enterprises in Villa Clara Province that received the benefits of the reform showed that the economic indicators in 30 percent of them were unfavorable and there was underutilization of time working under standards.

Resolution 693 of 1981 which contains the regulation for the application of the RGS to technicians does not respond to many of the practical situations that have occurred.

The inspection service continues to detect violations of the wage policy after the reform has been applied.

There is incongruity because the wage level that corresponds to some levels of leadership according to the reform does not permit the use of certain technicians.

The control methodology for evaluation of the reform has deficiencies in subsequent evaluation of results.

The CETSS, the organisms, the CTC, the unions and the provincial committees created to supervise the reform are working to solve these problems. A priority objective in the coming years is to solve them all satisfactorily.

Although we cannot yet make a final balance of the results of the RGS, in our opinion it shows a very positive balance so far and creates secure bases for the consistent application of the socialist principle of distribution based on work in our country.

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RAFAEL RODRIGUEZ DENIGRATES REAGAN'S UN SPEECH

Havana GRANMA in Spanish 19 Jun 82 p 5

[Interview with Carlos Rafael Rodriguez, vice president of Cuba's Councils of State and Ministers, by Orlando Ocana; New York; 18 June 1982]

[Text] United Nations, 18 June, PRENSA LATINA--The vice president of the Councils of State and Ministers of Cuba, Carlos Rafael Rodriguez, agreed to give our press agency his viewpoint on the speech delivered by the president of the United States, Ronald Reagan, before the UN General Assembly Second Special Session on Disarmament.

A day before Reagan's speech Carlos Rafael Rodriguez spoke before the plenary disarmament session and in his speech, characterized at this diplomatic site as "the profound and consistently clear and simple position of the Cuban Revolutionary Government," he anticipated the lack of seriousness of the U.S. Government when it agreed to initiate negotiations regarding strategic arms limitations with the Soviet Union.

While Carlos Rafael Rodriguez told the plenary session of his hope that he was mistaken in making his assertion, he asked: "Does this offer by Mr Reagan represent a serious step or is it merely a propagandistic maneuver, a temporary concession to American public opinion and that of the world?"

A few minutes after President Reagan ended his speech before the Second Special Disarmament Session we approached the Cuban leader, Carlos Rafael Rodriguez, and asked him the following questions:

[Question] How do you characterize the fact that of the 60 countries which have participated at the General Assembly conference on disarmament Cuba was the only one which anticipated or characterized as questionable Reagan's decisions to move to negotiations with the Soviet Union?

[Answer] So far, indeed, out of nearly 60 countries whose representatives have spoken Cuba has been the only one which brought up this problem though I don't believe that it is the only country which thinks this way. I believe that the Soviet Union, by virtue of its position in international politics, did not wish to voice that doubt. Accordingly, no contradiction regarding the focus of the situation is involved here but only that the Soviet Union

is making very serious and deliberate efforts to overlook some issues that are obvious.

Cuba is in a position--by virtue of its experience, because of its independent position, and perhaps because at this time Cuba is the country which, together with Nicaragua, has a more profound disagreement with the United States--to say what it thinks, only what it thinks, and all that it thinks.

It is obvious that a sensible analysis of state policy and of the positions of President Reagan and his associates suggested such a lack of earnestness, which was obvious. I spoke to express our country's positions with the certainty that the positions of the president of the United States would not be altered. Not even his demagogic intention could take him so far as to make us look bad. His demagogic design is obvious when he tries to assume a viewpoint that is seemingly humanistic regarding the problems of peace and war, but substantially abides by his own policy, his own ideological obstinacies, which I also referred to as a major international danger.

[Question] How far do you think does the American proposal to hold an international conference to create a common system of analysis and research on military budgets go?

[Question] I believe that it leads nowhere because military budgets are only one element in the policy of international armaments. A country's military budget must be viewed in relation to the entire structure of its economy and the meaning that the problem of costs of installed capabilities has. These situations vary in different countries.

There are countries which, because of their productivity, cannot be compared with the others. Naturally, I don't refer to the major powers but rather to the general structure of armaments. The disarmament problem is a problem of a rational analysis of the structure of armaments of each country and of a logical reduction. I did not wish to go to the General Assembly to discuss what the Soviet foreign minister, Andrey Gromyko, had already stated because our intention was different. But obviously Reagan's proposals regarding armaments would lead, as PRAVDA's articles have stressed, to the Soviet Union's reducing its military potential to some 60 to 70 percent of that of the United States. The latter only has a small portion of its nuclear potential in intercontinental missiles while more than 80 percent of its missiles are carried by bombers and submarines. The reduction proposed by the United States in intercontinental missiles is directed exclusively at the Soviet Union and does not touch the bulk of United States capabilities.

[Question] How do you characterize the fact that Reagan's speech before the General Assembly contained no message whatever for developing countries?

[Answer] It is evident that Reagan is not interested in poverty. He is not interested in poverty at home or in international poverty. He stands for something else. He cannot become concerned with illiteracy in Africa, Asia, and Latin America or the high level of infant mortality there. He is trying to scrap in his own country those programs benefiting the blacks, Chicanos,

and underprivileged people of the United States. How, then, would he be concerned with the underprivileged peoples of other regions? It is obvious that there are two different worlds, Reagan's world and our world.

[Question] What is your opinion of the speech delivered by Reagan before the plenary disarmament session?

[Answer] Reagan's speech can really be characterized as a failure of the projections made by U.S. policy. The fact that President Reagan did not even refer to Leonid Brezhnev's proposals, to the Soviet decision unilaterally and immediately renouncing to be the first to use nuclear weapons, is in itself significant and indicates the weakness of the positions supported by Reagan in international policy.

To evaluate Reagan's speech one need not do more than consider how it was received by the assembly. Obviously, the applause that Reagan received was much less than the applause that greeted Andrey Gromyko's speech which, in our opinion, was the most important one in the General Assembly by virtue of its content.

The majority of the delegations did not applaud Reagan despite the fact that there was deliberate mobilization of all the delegations that could support the United States, which was represented there by all its members. There were many important delegations which have a decisive role in countries of Africa, Asia, and Latin America that refrained from applauding Reagan's speech. It cannot be said that it was the Left which did not applaud; rather, it was much more than that. The thing is that no one can understand how, at a time when the world can at any moment become the victim of nuclear incineration, the president of such a powerful and decisive country as the United States should not find a way to meet the initiative of the Soviet Union and should repeat worn-out slogans and refer to old proposals which were examined, analyzed, and rejected in the past because of their nonconstructive character.

The Third World, in a quasi-unanimous way, rejected the proposals of President Reagan and we saw that it was not the developed socialist countries but rather the developed nonsocialist countries which also expressed, either through their absence or their brief applause which was never enthusiastic, political positions that indicate to us that the ideas exposed by Reagan had not found support.

There is something ridiculous in all of this and just now you and I were able to witness a grotesque spectacle at the conclusion of the speech by Reagan, who seemingly spoke without referring to any notes whatever. All the delegates to the United Nations are at this very moment--according to American television--examining the gadget that allowed Reagan to pretend that he was speaking without looking at any paper but nevertheless had developed a technique enabling him to look in front of him but to read what he was saying--that is, the farce of Reagan's presentation paralleled the farce of Reagan's positions.

ANTIBIOTICS EXPORT PLANT OPENED IN HAVANA

Havana CUBA INTERNATIONAL in Spanish Apr 82 pp 28-31

[Article by Eugenia Valdes: "A Plant With a Future"]

[Text] To reach the 8 March Pharmaceutical Enterprise it is necessary to travel over more than 22 km of road paralleling Havana's east coast. One must use as a point of reference in that industrial development region the large buildings of the Dairy Complex until one finds oneself by an extensive stretch of superb water and in a generous climate. That is where, in an area occupying 3,000 square meters, one comes across the plant with which Cuba has initiated drug preparation with an approximate production of 40 tons of antibiotics a year.

The plant, capable of producing over 5 million pesos' worth of pharmaceuticals, is endowed with modern equipment which includes reactors, centrifuges, a drying system, a system of atmospheric decontamination, facilities for the treatment of raw materials and of products prepared with advanced technological equipment.

This plant has various closely connected installations meeting the final goal of turning out more products of international quality. Its achievements are due to the synchronized inputs of the laboratories, industrial production, services--steam, brine, liquid nitrogen, electric power, etc.--the system of distribution and recuperation of solvents, the filling assembly line, and the packaging of pills.

The inauguration date of this plant coincided with the celebration of the International women's Day in 1981 because the personnel working there is primarily female. "This enterprise which is called 8 March," Vilma Espin, alternate member of the Cuban Communist Party's politburo and president of the Federation of Cuban Women, explained on that occasion, "is a new expression of the significance that our party ascribes to that date. The production obtained here will help insure the health of our children and all our people."

Everyone's Pride

Susana Alba, who holds a master's degree in chemistry and heads the department of standards, measures, and quality control, characterizes as indispensable the connection between the control and synthetics laboratories and industrial production given that through the quality control of the raw materials and

finished products and the synthesized tests of pharmaceuticals in the laboratory, products with certain and stable qualities and yields are guaranteed.

For this young lady the startup of the plant meant the acid test of her working life. She reported with pride that during that stage "there was no time to go back home and we all worked double shifts though weary to death because we did not want to see any hitch in the production process. And the proof was unqualified success."

Guarantee of Health

When this plant will be working at full capacity it will be necessary to import only some raw materials for the preparation of those products processed here.

To produce in Cuba semisynthetic antibiotics such as ampicillin, amoxicillin, dicloxacillin, among others, and to retail them to the users in the form of gelatin capsules filled automatically in the plant itself is something that no one had dreamt of a few years back when practically all drugs consumed by the people were imported.

Within a few years this enterprise built in a little more than 12 months at a cost of 5 million pesos will represent notable savings in foreign currency and a guarantee to protect the health of everyone.

Figueroedo, The Oldest

Who was going to tell Jose Figueroedo, the oldest of the workers at the 8 March Pharmaceutical Enterprise, that at age 51 his colleagues would rely on his proven experience as a worker to inaugurate such an important plant.

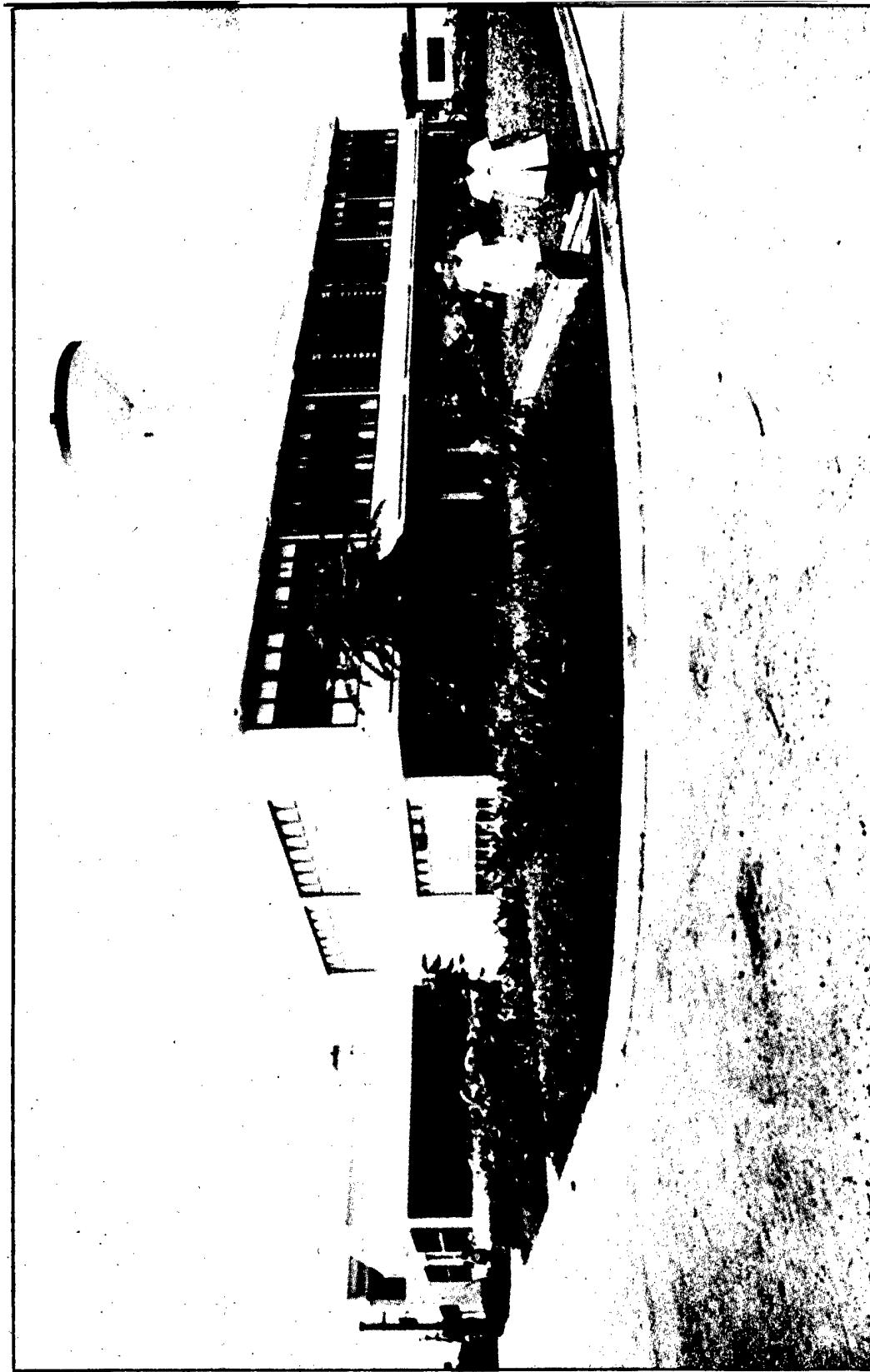
Figueroedo, a peasant who at age 8 used to cut sugarcane to help his family and who until 1961 was an illiterate teamster, is one of the four workers who, under the direction of a technician, control the production process.

On the large floor space of two plants with bright reactors and centrifuges, there is silence now. The personnel, with red helmets and face masks to protect them from noxious gases, move in synchronized fashion from side to side. They add the product to the reactor, weigh the raw materials, while Figueroedo speaks of his two sons who "will be educated individuals and will not have to work as I did when I was a child. Yes, it seems unreal for me to be here from the beginning of a plant."

Where the Air Is Cleaner

The future growth of the city of Havana is toward the east where the air is cleaner and the favorable winds guarantee the necessary pureness of the environment.

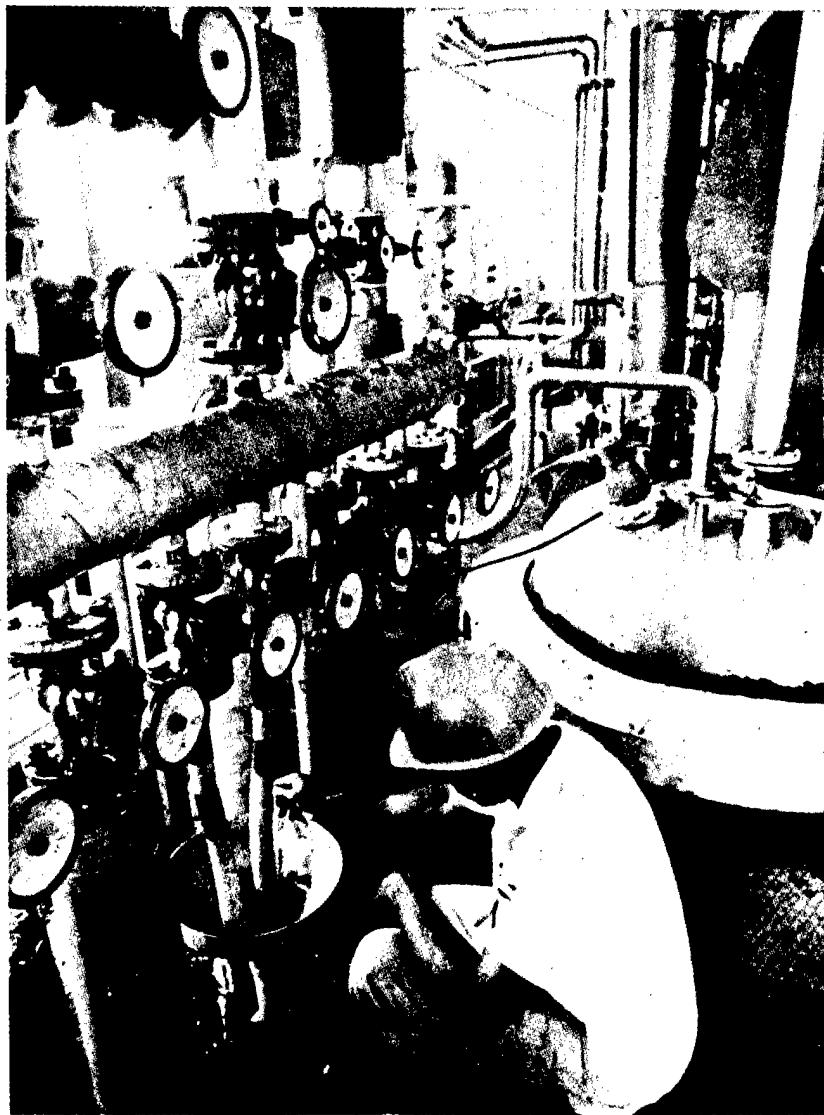
Hence, many of the new industries are located in this area where the weather and the water join to offer optimal conditions for a production plant.



General view of the 8 March Pharmaceutical Plant.

Besides the enviable location of the 8 March Pharmaceutical Enterprise, one must note its comfortable buildings, modern equipment, well-endowed laboratories, and a transportation base for the personnel working there. For those reasons one does not go out on a limb in stating that this plant--in process of expansion--completely epitomizes the new Cuban industry.

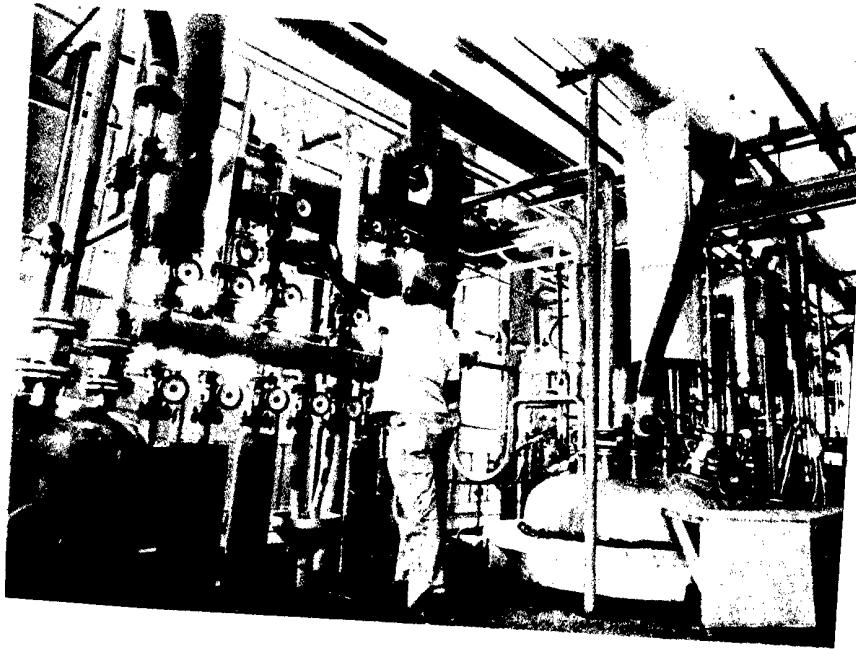
If one adds to this the curious fact that its technical and executive personnel is for the most part female and that the average age of its workers is 30, there is no doubt that it is a plant with future prospects.



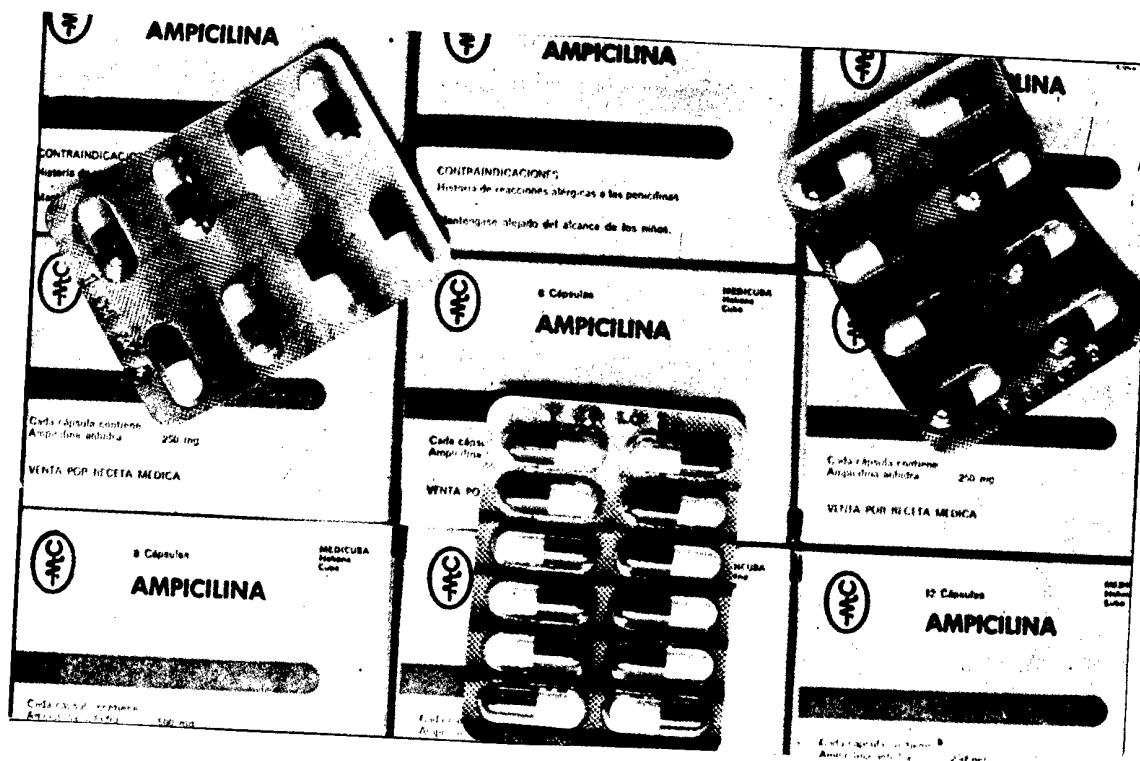
Measuring and controlling the water temperature.



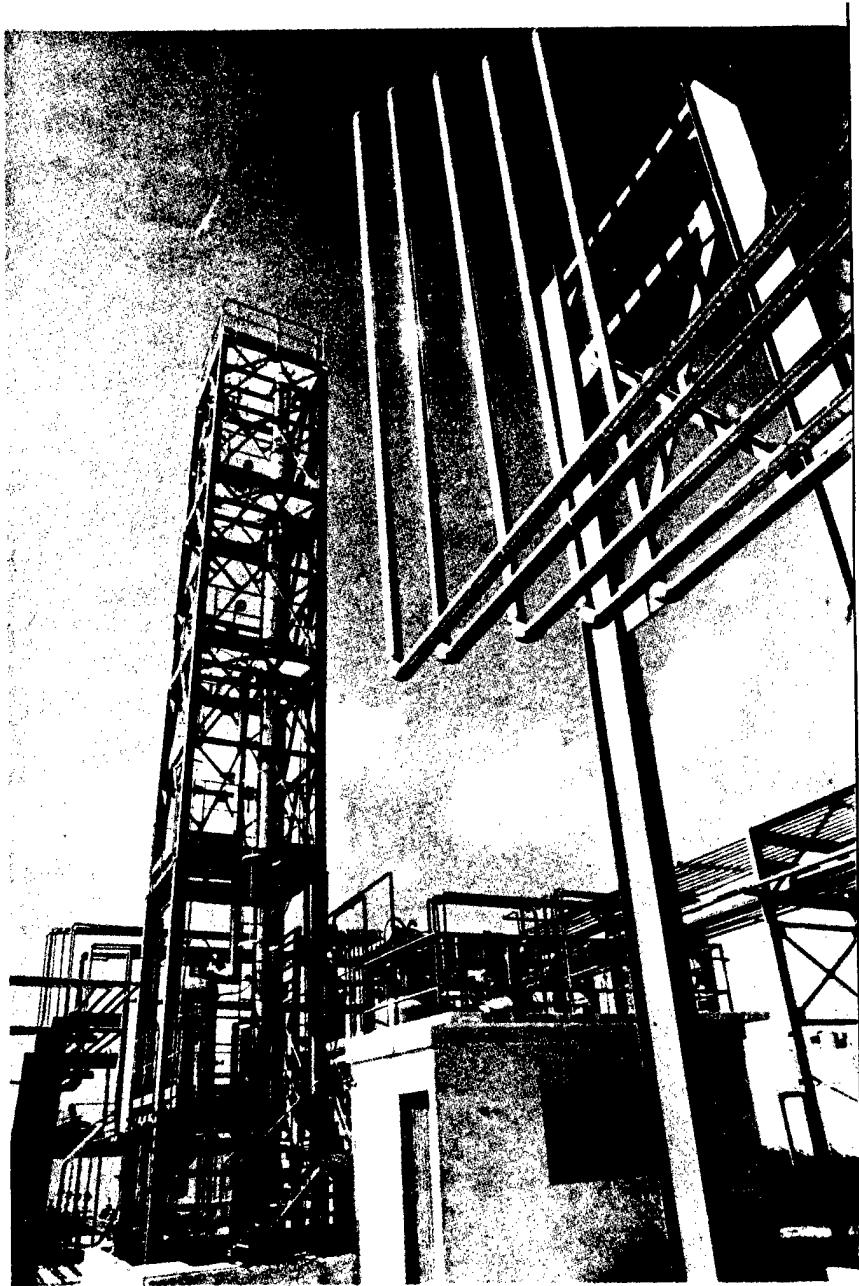
Centrifuging the antibiotic.



Partial view of the floor space where the productive process takes place.



Capsules ready for sale to the public.



Solvent rectification tower.



Sterilization process in the autoclave.

2662
CSO: 3010/1792

CEMA SUPPORT FOR SUGAR INDUSTRY EXPANSION EXPLAINED

Havana ATAC in Spanish Jan-Feb 82 pp 19-20

[Article by Rafael Contreras: "Cuba: A Bigger Push on Sugar"]

[Text] The preferential agreements between Cuba and CEMA-member countries calling for prices much higher than in the free market have represented an irreplaceable strategic factor for Cuba's long-term economic expansion plans.

Cuba is the top sugar exporter in the world and will continue to maintain that position during this decade, to a great extent thanks to a multilateral sugar sector cooperation agreement reached with several CEMA-member countries.

The Cubans announce big investments in the sugar industry at a time when countries that export basic products find it extremely difficult to program new investments because of their distressing foreign debt.

To this end, the largest of the Greater Antilles islands will receive strong support during the current decade (1981-90), primarily from the Soviet Union, German Democratic Republic and Bulgaria, as well as from other CEMA-member countries, to create new sugar production capacities, expand existing ones and increase the sugarcane agriculture area.

This multilateral cooperation, agreed to during the 35th CEMA meeting of 4 July 1981 in Sofia, calls for assistance amounting to more than 423 rubles (470.5 million Cuban pesos) over the 1981-85 5-year period alone.

Participation amounting to more than 300 million rubles (330 million Cuban pesos) is expected from the interested countries for the following 5-year plan (1986-90) for sugar industry supplies and equipment.

According to the sugar agreement, the production increase resulting from this cooperation will be used primarily to satisfy the growing needs of the socialist community during the decade.

As a result, Cuban raw and refined sugar supplies to the USSR, GDR and Bulgaria will increase significantly by 1985, in comparison with the level reached in 1980.

Bilateral Agreements

As part of a practical implementation of the program, Bulgaria will participate in the overall development of the industry by providing horizontal pumping systems and other supplies.

The GDR will contribute with the delivery of turbogenerators of various capacities and other equipment, while the USSR will supply equipment for the construction of 11 new sugar mills, eight of which will be built before the end of 1985.

Moreover, Soviet supplies will be provided over this period to expand and modernize 23 other sugar mills, modernize sugarcane railway transportation throughout the island, and help with the installation of automation equipment for the agricultural sector.

It is expected that sugar production will be between 20 and 25 percent more than in the past 5-year period (1976-80), as a result of the rising production rate started in that period when production rose about 25 percent over the 1971-75 period.

Using the sugar sector overall program as the basis, the Cuban strategy is to continue raising sugar production during the 1986-90 period over the levels reached in the present 5-year period.

Another of the objectives for this industry during the period set forth at the Second PCC Congress is to guarantee quality of the sugar produced and consistently lower the rates of material consumption in the industrial process.

A program to remodel the structure of the sugar mills' energy base also will be implemented to help cut consumption of oil and energy in general, and an effort will be made to have surplus bagasse in quantity and quality to develop a byproducts industry.

In addition to technological changes in most of the Cuban sugar mills, whose previous innovations were made early in this century, four new sugar mills have been built, two of which started production in the past harvest.

The first of these new sugar mills to start operations, named "30 de Noviembre" and located in the western province of Pinar del Rio, has a daily grinding capacity of some 7,000 tons.

The mill was built at a cost of 54 million pesos (about \$74.5 million). Its high degree of technification, which includes automatic control of the process and closed-circuit television, will permit high work productivity.

During the 1976-80 5-year economic development plan period alone, about 600 million pesos (approximately \$700 million) were earmarked for modernization of sugar mills and construction of new mills, port terminals for mechanized shipments and sugar byproducts industries.

At the same time, the installation of plants for the manufacture of machinery for the sugar industry and for mechanization of the sugarcane harvest is being developed.

These expansion and repair plans are part of the general modernization program for this industry conducted by the revolution, which in 1960 nationalized the private sugar sector that was in the hands of U.S. firms and Cuban capitalists.

The radical changes made in this country over the past 21 years of revolutionary triumph have resulted in the extraordinary development of the Cuban sugar industry.

Besides the U.S. economic blockade, one of the first problems encountered by the sugar industry following the triumph of the revolution was inexperience in sugar mill management during the first years. For this reason, sugar was produced under very difficult conditions until the 1960's decade.

Investments in the sugar industry for the 1976-80 5-year period amounted to 968 million pesos, more than double the investments for the 1966-70 period which previously had had the biggest investments.

Mechanized sugarcane cutting almost did not exist in 1971, and over 40 percent of this work was done with combines during the 1977-78 harvest.

In June 1976, the CEMA-member countries decided to grant Cuba preferential conditions for an accelerated development of its economy.

This has been realized with this program, through stable and stimulating sugar prices, credits granted under advantageous financial conditions, among other aspects.

As a result, Cuba can sell its growing sugar production advantageously despite the depressed condition in which the world market has maintained sugar prices and the boycott which the United States and the European Economic Community maintain against the international sugar agreement.

9925
CSO: 3010/1902

CIEGO DE AVILA AGRICULTURAL CENTER DESCRIBED

Havana JUVENTUD REBELDE in Spanish May 82 pp 60-62

[Article by Lucy Gispert]

[Text] ISACA [Ciego de Avila Higher Institute of Agriculture] is deciphering the enigma of the premature dropping of fruit on citrus plantations, is finding teaching methods which combine theory and practice and is making other interesting contributions in the technical-scientific sector.

The Ciego de Avila Higher Institute of Agriculture, in addition to being a teaching center, is a laboratory complex for research and technological testing.

Since it is surrounded by large fields devoted to the growing of sugarcane and citrus and other fruit trees, the primary objective of the center is to raise the work of the center to the highest scientific level and at the same time to obtain effective results.

Two factors are combined to ensure the above-mentioned objective: on the one hand we have the intelligence of man and on the other hand we have resources. And we say this because within the framework of the accelerated scientific and technical program of CEMA [Council for Mutual Economic Assistance] ISACA was allocated considerable funds with which it constructed a complete research plant. It also has a computation center supported by an electronic computer, a technical information center and an experimental station, along with an agricultural-meteorological network.

At present, ISACA is working on the technological improvement of sugar-cane harvesters, techniques of irrigation and drainage, general mechanization of farming and agricultural-livestock economy. Therefore, it is oriented along engineering lines, unlike the University of Villa Clara, which is noted for its scientific-biologic work.

This information was supplied by Engineer Carlos Borroto, deputy director for research and postgraduate work, who is also an outstanding member of the Technical Youth Brigades.

Engineer Borroto is a National Work Hero and has represented the Institute--and with it our country--at national and international events.

A specialist in citriculture, he has successfully conducted valuable research, including a study of the [premature] dropping of the fruit, or abscission, of the Valencia orange.

As the result of this research, he has proposed measures to control the problem which has a negative impact on per plant production.

This variety of orange is very important to the Avila Ceballos Enterprise which grows citrus fruits on 450 caballerias of land for national consumption and export to both socialist and capitalist markets.

ISACA is also the national center handling the principal state problem relating to citric physiology, particularly as regards behavioral aspects in a tropical climate as compared with other latitudes. The institute is seeking to adapt to the technology employed in the United States and Israel to the characteristics of our country.

Interesting studies have been prepared on the relationship between high temperatures and the loss of plant humidity and the [premature] dropping of fruit.

The problem in question is being dealt with in an integral manner by multidisciplinary groups of biochemists, agronomists and geneticists, among others.

Basic secondary school students from the rural area are also working on this problem. They are engaged in leaf sampling. Students from the higher grades are also participating as part of their work toward a diploma.

With a view to developing quality controls to support the production of concentrates, juices and preserves from citrus fruits (when a complete plant which is under construction begins production), ISACA is also conducting research into the citric acid and oil content of the plants.

Specialized Classrooms

During a tour of the Institute of Agricultural Science, we visited one of the specialized classrooms. They are the result of the work which has just been done in the country to perfect the educational media.

Confronted by the difficulty of transporting students to the Venezuela Station, which is one and one-half hours drive away, and the consequent loss of gasoline in instructional demonstrations, it was proposed that obsolete equipment be adapted for instruction on the different parts of a tractor in the mechanization classroom.

Strenuous effort was required to divide the tractor into sections which permitted its presentation to the pupil at four levels.

The principal agent of this magnificent effort to construct a specialized classroom inside the Institute, Prof Rene Perez, said that if the equipment had been purchased from the DRG (which was the initial thinking) to teach classes in agricultural mechanics, the investment would have 30,000 marks, while the purchase of two obsolete tractors and the difficult task they performed cost only 560 pesos.

Another line of work engaged in by ISACA is the study of banana irrigation systems and the search for varietals of pineapple, a crop which is of great importance to the economy of the province. With regard to the pineapple, research is also being conducted into the levels of fertilization and the proper time to induce flowering.

Groups of Student Scientists

When a student reaches the third or fourth year of study, he has the opportunity of joining the so-called group of student scientists. Not long ago, the Technical Youth Brigades of the ISACA signed an agreement with these groups to work them into practical scientific exercises.

By means of this method, the students are able to participate in group sessions and--this is fundamental--put their technical solutions into practice during the same period of study. In another sense, they support the center's thematic program and constitute a valuable auxiliary workforce.

In this way, we received a broad-brush briefing on the functioning of a model training center and the degree of organization which can be attained by this kind of institution.

8143
CSO: 3010/1903

CONSTRUCTION, LIVING PROBLEMS IN MOA DESCRIBED

Havana SOMOS JOVENES in Spanish May 82 pp 34-37

[Article by Froilan Escobar: "Moa is a Challenge"]

[Text] It seems unbelievable. You feel like a Lilliputian facing Gulliver's height. Nuts larger than a hand, iron frameworks weighing hundreds of tons, cranes a block long. The youths seem so small among the nickel plant structures, that it seems unbelievable they are building them.

There is not much recreation in Moa. One movie house and two dancing areas. And when a local group plays or one comes from Holguin, it is not easy to find a partner. The average is 10 men for each woman. The men here have to get used to it. The competition is rough.

It is hard in Moa, very hard. The wind raises a red dust that covers everything, sticks to clothes and skin, and even when you take bath after bath, it comes out of the pores like a ghost.

And if it is not the dust, it is the mud. It rains a lot in Moa, one of the places in Cuba with the most rainfall. A quirk of nature. Annual rainfall is as much as 2,500 millimeters.

Sometimes work has to stop because of the frequent showers. The bird of nostalgia then perches on your shoulder. It comes suddenly, in flocks, because there are more than 6,000 youths and most of them are from other towns and provinces: Cienfuegos, Villa Clara, Havana, Havana City, Guantanamo Santiago de Cuba, Granma, Las Tunas and Holguin.

Home is far away. The girlfriend and family are far away. They are missed. The desire to see them does not go away in front of the television set or playing a game of dominoes. The slightest wait is long. Going on pass is the best recreation.

But already many do not have to go. They have married and live here. They have all that is necessary. And they do not stop working. They do not care whether it is day or night. They work nonstop on the housing, at the

Nuevo Mundo dam, at the support base, at the mechanical complex and at the nickel processing plant, which is the country's biggest priority project.

The youths build, dream and give their time in Moa with awesome patience. They assert that it is to get closer to the future. This gives to what they are doing the style of a historical event.

They are changing everything in Moa.

Woman in Sight!

For women, this northern town of Holguín Province should be a sort of paradise because there are more than enough men to choose from, but Ana Emma Figueroa does not think so.

--It is more an inconvenience. Above all when one is married. And even if unmarried, it still would be an inconvenience. If you go to a party, you feel uncomfortable with so many eyes staring at you. More women should be brought to Moa.

She is 26 and has been at the nickel plant 2 years. She is an architect and technical chief of complex number 9.

--I came from Granma as a new graduate to do my social service work. Then I transferred here and now I am here for an indefinite period, until the project is completed. My life? Well, coming to work and participating in the tasks of the youth. There is a lack of recreation. El Balcon restaurant, which has a small dancing area, was expanded recently. There is another small one at El Ranchon. There is dancing on weekends near the movie house or at Moa's sugar mill. But is is not enough.

Ana Emma's husband is a civil engineer. He works at complex number 2. They met here 4 years ago. They married and now live at the hotel for technicians, waiting for housing.

--In that regard, Moa has been good to me.

A Needle in a Haystack

The new nickel plant is being built at Punta Gorda, 7 km for the city. It is of Soviet technology and is being built with the aid of that fraternal country. A very big effort is necessary to finish it as planned in 1984. And although 3,200 workmen are working on it, they barely can be seen because they are lost in the hugeness of the 11 complexes under construction. Somewhat the same happens with the Moa natives: They are not seen. They are lost among all the new arrivals.

Rafael Rodriguez is 23 and, besides being an installation mechanic and member of the UJC [Union of Young Communists], he is an oddity: he is from Moa.

--It is true that someone from Moa is rarely found. It is somewhat like a needle in a haystack. I live near the plant. I started to work at the project when preparation of the land began in 1976. I did not have pre-university schooling then and had to do it at night. Then I decided to study electromechanics at the local university branch. I am already in the second year. They provide me with facilities. My work is related to this specialty and serves as experience. Yes, I am one of the 1,198 youths working at the nickel plant. All of us who had no technical training prior to coming here, had to go to the installation school in Moa or the construction school in Levisa. Manpower is needed, but it must be skilled.

I Have Had to Marry Five Times in Four Years

Any young man dreams of climbing mountains, of going into the thick of unexplored woods or of going to the bottom of the sea to discover the marvels of our continental shelf.

It did not happen that way to Santiago Hernandez. He was 20 when he arrived in Moa and he dreamed of being a crane operator. He did not want anything else. That was his thing. He had just come out of the army and had to rush like mad to answer the UJC call in 1977. "I was the last one they signed up. I almost was left out."

He immediately was sent to the Nuevo Mundo dam where he did cleanup and digging work. Hard work was then beginning: cutting the flow of the Moa and Caimanes Rivers to dam 141 million cubic meters of water to satisfy the needs of the plant and of the town.

One day, one of the crane operators went to the bathroom and Santiago took advantage of that to get on the crane. It was a Soviet 1252 model. He looked at the 20-meter long metal boom and felt like moving the control sticks. He was overwhelmed. With just one hand he could lift as much as 23 tons. He settled down on the seat and forgot everything.

--Listen, boy, what are you doing there?

--Just looking.

--Do you like the crane?

--It is my life's dream.

--Then don't worry. I am going to help you realize it.

He spent 2 years learning, 4 more as crane assistant, and finally, he was promoted 2 years ago when two operators left. "I am now a D crane operator."

--The hardest thing here is the founding work. On a spillway slab, for example, we take up to 24 hours nonstop. And there are some that take longer, up to 30. But I do not get tired. I have that reputation at work.

I enjoy myself when I go on pass. I go for 3 or 4 days to Guardalavaca beach, and go to the carnivals or tour the fairs. My thing now is sports. If it is not hunting, it is baseball.

But not when I am working. At the end of a work day, what I do is play dominoes or watch television. There is nothing else to do. Moa is 14 km from here. Women are my only problem. I have had to marry five times in 4 years. They cannot stand the hustle and bustle. They cannot get used to my being far away. The name of the latest is Zenaida. She often talks to me about finding something closer to home. I tell her no, that we shall see. And the truth is that I would like it if they gave me a house so that I could bring her. The problem is that there are many others more deserving than I.

The Question Is Not Arriving, But Staying

Look, there are several ways one can arrive in Moa: by plane, by bus and by ship. Any one of them is a good way to get here. All are comfortable and safe. But the question is not arriving, but staying.

I tell you this from my own experience. I thought I would not last more than a month. I had gone to Havana from Europe, where I was studying, and from Havana to here. You can imagine, it was my first job experience under the difficult conditions in Moa. Eating lunch was a marathon. I always kept myself for last. It is different now with five dining halls.

Man, I am from Havana and had never been in the countryside. I arrived in 1977 when I graduated. By that time the old man did not want to give me anything else, since I had a girlfriend and all that stuff. Then I went to the Construction Ministry's cadre directorate. There they gave me several places to choose from, but always tilting the balance to this place. The comrade started telling me about Moa and about this and that. And I told him not to tell me anything else, that I needed a job and did not care where I was sent.

I did not come here with the idea of staying after fulfilling my social service. However, I stayed when my term expired in 1980. They gave me a house and I stayed.

Through the enterprise, I was able to get the furniture: bedroom, dining room and living room sets. I won the telephone through the union and the refrigerator too. My wife won the washing machine. So, a baby is the only thing we need to be complete, and we are working on that.

My wife came with me. I met her at the Jose Marti technological institute during the 1970-71 term. Our records were among the top 10 and they sent us to study in the Soviet Union. Her name is Elsa Leon. She is a mid-level construction technician, just as I am.

From the first day I have been working at the support base, at the structures pre-assembly area. It is important work: welders, mechanics and

painters. The parts come out ready to be assembled. I give technical advise and the Soviets advise me. I already have experience, but when I came here I was still a baby just out of school.

My name is Pablo Suarez. I am 27 and a member of the UJC. Since I come from the area of tough people, Cocosolo, I told my wife that I would not leave until I finish this work. And I think she is going to have to talk to me when I finish.

9925

CSO: 3010/1902

CEP CHECKS RETAIL OUTLETS FOR PRICING VIOLATIONS

Havana GRANMA in Spanish 22 Jun 82 p 1

[Article by Jose M. Norniello: "National Program for the Inspection of Retailers' Prices in 1981 Overfulfilled"]

[Text] The national program of inspection of retailers' prices in 1981 was fulfilled to an extent nearly half above what had been planned, according to what was indicated in a report offered GRANMA by the State Committee for Prices (CEP).

Overall, the CEP inspectors and those of the directorates of prices of local organs of the people's government carried out 49,505 checks of retailers' prices (which are those of products and services bought by the population). The plan for retailers' price inspections for 1981 had been drawn up on the basis of 33,526 verifications.

The overfulfillment of the program was traceable to the great effort made by the price inspectors in the last 2 weeks of 1981 when the reform of retailers' prices went into effect. Between 14 and 31 December 1981 some 6,400 checks were made to determine how that reform was working out.

Havana, Ciego de Avila, Camaguey, Cienfuegos, and Granma Provinces, the city of Havana, and Santiago de Cuba were the areas which were most responsible for this overfulfillment, all of them above the national average of 147.6 percent fulfillment of the plan.

These inspections of retailers' prices involved price changes in the sectors of comestibles, private artisans, industrial products, automotive workshops, pharmaceuticals, food, and construction materials and services. The implementation of the resolutions relating to price changes was also reviewed as was the setting of prices on new products, and other local inspections were carried out.

Among the most outstanding results of the inspections of retailers' prices in 1981 was the discovery of 1,915 price violations, representing a level of 4 percent. Out of this total, 1,006 cases were reported to the public prosecutor's office. Of these, 803 cases were sent to the courts, 644 were tried, and in 574 of them the infractions were verified and fines were levied.

A few hundred price violators were also given administrative sanctions.

The 4 percent index of violations discovered during the inspections is considered to be low. That is, that as far as retailers' prices go there is greater price discipline than in wholesalers' prices.

Nevertheless, it is necessary to increase the number of inspections, checks, and vigilance in the field of prices charged to consumers. And in this respect the State Committee for Prices and the organs of the people's government are working hard and are increasing the number of inspectors charged with carrying out this task.

Price inspection and control are the first task in this important sphere of the economy. With it there is the assurance that the reforms of retailers' and wholesalers' prices are carried out according to what is planned and additionally serve as efficient mechanisms for the management and planning of the economy, effective controls to carry out more precise measurement of the effort that is socially necessary in production, a better redistribution of the national income, and a high level of efficiency in the entire process of increased production in our socialist society.

2662

CSO: 3010/1865

DEVELOPMENT OF CANE SEED TYPES EXPLAINED

Havana JUVENTUD REBELDE in Spanish May 82 pp 20-22

[Article by Lucy Gispert]

[Text] Proper utilization of scientific and technical factors is required to make a sugarcane field more productive. The effective selection of seeds for planting produces a suitable plantation, depending upon the kind of soil and capabilities of each enterprise.

The quality or kind of sugarcane seed is one of the most important factors in the chain of operations performed in the planting process and to a large degree determines the percentage of germination attained and the subsequent density of the fields upon which per hectare yield will depend.

Formerly, the production of seeds was carried out in an anarchic manner, without concern for different agricultural-technical considerations; therefore, the resulting sugarcane was of poor quality.

Failure to program plantings for seedbank purposes in accordance with a staggered timetable produces out-of-phase seeds, that is, seeds with a high sugar content. This phenomenon appreciably affects germination.

What is more, the seeds did not respond to a program of planting varieties; thus hybrids were produced which constituted a real health risk, as the fight against pests and diseases is intimately linked to the nature of the plant, which is determined by the variety to which it belongs.

All these reasons resulted in the development of a program to produce high-quality seeds, including, first and foremost, the establishment of specialized centers or banks. The real objective is the creation of stocks of seed at every sugarcane enterprises so that each will have its own resources consonant with the characteristics of the land.

These entities will be grouped in blocks and will be comprised of three categories: registered seeds, basic seeds and certified seeds.

In this way, 35 registered seed centers were established in the agricultural-industrial regions of the country which have the most varieties under

development. These seed banks are located at points which constitute commercial zones of economic importance.

The fundamental value of achieving strict control over seeds, from the scientific standpoint, to ensure that each enterprise has its own supply, is that when we are faced by a phenomenon such as the rust disease, to which the Barbados 4362 variety is highly susceptible, we will be in a position to replace it with another variety, without the risk of altering the economic calculations with respect to a given harvest.

Part of the strategy followed by the specialists in the agricultural technology of sugarcane cultivation is to avoid the propagation of a single variety but instead to maintain a series within the same block and thus to avoid a catastrophe produced by pests or diseases.

Work of such scope requires a deliberate organization, as there is the danger of introducing varietal hybrids which would result in loss of control over the conditions we must maintain for the crop and a lack of precision in plant health activity.

When these mechanisms of selection and careful handling in the use of seeds reach their point of equilibrium it can be said that sugarcane cultivation is making use of science on behalf of plant productivity.

Basic Seeds

Basic seeds are those produced by improving original seeds with consideration given to methods which will ensure their high degree of genetic identity and purity.

The Sugarcane Research Institute produces basic seeds (in areas of the Experimental Stations or in specialized centers equipped for this purpose) from varieties approved for development in sugarcane cultivation.

In the case of varieties which are now in production and which are not subject to this program, a specialist will certify the seed designated as basic to produce the following categories:

Registered Seeds

Registered seeds are descendants of basic seeds which satisfactorily preserve their genetic identity and varietal purity in accordance with established standards.

Registered seeds are produced in specific centers which meet the requirements for this category of seed.

The amount of registered seed will be determined by the amount of certified seed, in accordance with the commercial planting plan.

Every sugar enterprise has a registered seed center.

Certified Seeds

Certified seeds are descendants of registered seeds and meet the quality standards established for this category of seed. Certified seeds are earmarked for commercial plantings.

The production of certified seeds is the responsibility of every sugar enterprise to which end specialized blocks of land have been set aside to produce them. The basic objective is to deliver high-grade material earmarked for commercial plantings in the district. The amount of certified seeds depends upon the magnitude of the plantings programmed for that entity.

8143

CSO: 3010/1903

COUNTRY SECTION

CUBA

BRIEFS

FOREIGN MINISTERS TO MEXICO--Commander in Chief Fidel Castro, president of the Councils of State and Ministers of Cuba, has seen off French Culture Minister Jack Lang, who paid a 4-day visit to our country. Lang left for Mexico City in the company of his counterparts from Cuba and the GDR, Armando Hart and Hans Hoffmann. They will take part in the second world conference on cultural policies sponsored by UNESCO beginning today. On his arrival in Mexico City, the French minister said that one of the main objectives of the conference should be assistance to nations to shake off financial servitude and to do it in fact and not just words. The French minister said that economic matters cannot be divorced from cultural matters and warned that there are many countries that are still threatened by the financial imperialism of the United States. Answering newsmen, Armando Hart said that Cuba would assume its traditional position at the UNESCO in favor of making stronger and defending the cultural ideals of Latin American countries. [Text] [FL261033 Havana Domestic Service in Spanish 1000 GMT 26 Jul 82]

GREETINGS FROM ROMANIA--Nicolae Ceausescu, president of the Socialist Republic of Romania and secretary general of that country's Communist Party, has sent a message of congratulations to our government, party and people on the occasion of the 29th anniversary of the assault on the Moncada barracks. The message states that the deepening of bilateral relations will contribute to the successful building of the socialist society in the two nations for the sake of the two peoples and in favor of peace. [Text] [FL261934 Havana Domestic Service in Spanish 1803 GMT 26 Jul 82]

CSO: 3010/2022

COUNTRY SECTION

GUATEMALA

ISRAEL AIDS REPRESSION SAYS FRENCH PAPER

Paris DEFENSE ET DIPLOMATIE in French 10 May 82 p 6

[Article: "Guatemala: Israel Is Participating in Repression"; passages enclosed in slantlines printed in boldface]

[Text] The Israeli secret services (Mossad) are actively participating in the antiguerilla struggle at the side of the Guatemalan army. Because of an embargo decided on by Carter in 1977, Guatemala is unable to procure its arms in the United States and, since then, most of its equipment has come from Israel and Brazil. In return, the Mossad sends technical advisers to the Guatemalan repression services.

Incidentally, this "Israeli assistance" has already led the Guatemalan army to change its behavior. Previously when the guerillas or peasants suspected of helping the guerillas were captured, they were immediately executed. On Mossad's advice, the army is now working more selectively, determining persons likely to provide information,/ proceeding to tortures and obtaining information. This is how a large part of the urban resistance was dismantled recently. The peasant guerilla, who is much less susceptible to police infiltrations, has still not felt the repercussions of this very special cooperation between Israel and Guatemala.

It was not at Washington's request that Israel agreed to aid Guatemala. Tel Aviv intends to conduct its own policy individually in Latin and Central America, already scoring a commercial breakthrough by selling military equipment. Moreover, isolated as it is, Israel is scarcely able to choose its friends in the world. And it feels obliged not to be particular. Even if certain collaborations couldn't be more direct.

9830
CSO: 3100/738

FOREIGN MINISTER SCORES U.S., ISRAEL AT NONALIGNED MEETING

FL261954 Bridgetown CANA in English 1925 GMT 26 Jul 82

[Text] Georgetown, Guyana, 26 Jul (CANA)--Guyana's Foreign Minister Rashleigh Jackson has described the Israeli invasion of Lebanon as a "most inhuman war of aggression."

He said it was launched "with such savagery and callousness that the mayhem which followed startled even elements within Israel."

The condemnation of the Israeli action came when Mr Jackson addressed an extraordinary meeting of the coordinating bureau of the non-aligned movement in Cyprus. The text of his address has been released here.

Mr Jackson said the Israeli action presented a serious challenge to the non-aligned movement.

"We should not, we cannot, sit helplessly and watch the perpetration of such madness inflicted on a member-state of our movement, Lebanon, and on the PLO (Palestine Liberation Organisation) and the Palestinian people," he declared.

Israel said it invaded Lebanon to smash the PLO, which it accused of trying to assassinate one of its diplomats.

Mr Jackson added that if "the extreme and unrealistic definitions" of state security like Israel's permits the breakdown of internationally recognised frontiers, every small state may well be at the mercy of a more powerful neighbour.

He called on the non-aligned movement "to express solidarity with the heroic Palestinian people led by the PLO, their sole and authentic representative."

"Let us also call upon those who directly and indirectly supply Israel with sophisticated weapons of indescribable destruction and give other forms of encouragement for Israel to persist in its misguided course to desist from doing so," he said.

He also appealed for an urgent meeting of the security council of the United Nations to agree on measures to secure the immediate and unconditional withdrawal of Israeli forces from Lebanon.

CSO: 3025/1131

COUNTRY SECTION

MEXICO

POLITICAL COMPONENTS OF PSUM DESCRIBED

Mexico City EL DIA in Spanish 30 Jun 82 p 4

[Hector Ramirez Cuellar column entitled: "Currents and Groups in the PSUM"]

[Text] During the election campaign the heterogenous nature of the PSUM [United Socialist Party of Mexico] has become quite evident. There have been clashes between currents, groups, and people within this alliance. The signs of these differences are varied: some are subtle, while others are quite blatant.

Political Currents

The dominant majority has adopted the position of Eurocommunism. This current won an overwhelming victory at the Unification Congress, managing to have the party abandon the concepts of the dictatorship of the proletariat, Leninism, proletarian internationalism, Leninist party standards, and even the name of the party.

There are two trends within this current: the moderate trend is headed by Arnoldo Martinez Verdugo, while the other, rightist trend is headed by the Bartra-Semo group.

The first trend is still somewhat restricted: it can not openly espouse anticommunism and anti-Sovietism. These people have been greatly affected by the antisocialist positions of Santiago Carrillo. The second trend, which is closest to the right, to the national and international reactionary movement, is part of the structuralist movement of Louis Althusser. They have openly broken with the best of the Mexican and world revolutionary movement.

The differences between the Eurocommunists are not matters of content or of essence, but rather of emphasis and style.

The other current is national socialism, represented by members of the former MAP. This is a group of workers' leaders and middle-class university-trained professionals. There are at least two influences converging here: the nationalist ideas of Rafael Galvan and a certain type of socialism or marxism, conceived primarily as a social sciences methodology.

The most firm and steadfast allies of the Eurocommunists in the internal struggle are the national socialists who in general are vehement in their opposition to the Soviet Union and to the socialist community. They were closely identified with the anti-communist demands made by the group led by the engineer Heberto Castillo.

The other current is the one headed by Alejandro Gascon Mercado and Roberto Jaramillo Flores. Even though this current does agree on the major aspects of the national program, it is not--and was not--in agreement on the ideological changes which took place during the Unification Congress, and still less on the party's international positions.

A final current is the "Luis Morales" communist cell which has never merged with the other parties, and which has never agreed to abandon marxism-leninism, much less to liquidate the party. This cell continues to fight for its restoration in accord with Leninist doctrine.

These currents have formed an alliance, but have not really joined together. Each comes from a different original party. They have different backgrounds, their cadres are dissimilar, and their working methods and styles are also discordant. Each continues to fight openly to have its own views prevail.

Groups

After reviewing the currents, we will now look at the groups, which are also in disagreement with each other and with the various currents in the party.

In the first place is the group of religious activists--composed of protestants, Presbyterians, Jesuits--who have been backing the idea of granting political rights to the clergy; they are centered around the magazine PROCESO..

In second place is the group of Alvaro Ramirez Ledewing from Jalisco; he is the spiritual leader of the FEG [Guadalajara Student Federation], which has always acted within the PRI [Institutional Revolutionary Party], and handles a number of commercial and industrial enterprises in that party.

In third place is the communist group led by Blas Zamudio in Nayarit; this group has energetically opposed Gascon Mercado.

In fourth place are the gay and lesbian minorities who are clamoring for absolute sexual freedom.

In fifth place are the freethinking intellectuals and journalists who, even though they may have joined the party in recent months, have as many positions as there are individuals. This is apparently the case of Carlos Monsivais and those who have joined together around the magazine NEXOS.

Finally, within what is left of the MAUS [Socialist Action and Unity Movement] after the departure of Miguel Aroche Parra, we should distinguish between the positions of Miguel Angel Velasco and of Carlos Sanchez Cardenas.

Some Manifestations of Heterogeneity

At some future time we will examine the ideological and political differences that are most important. At this time we want only to list some of the clashes which have appeared during the election campaign.

The Eurocommunists and the national socialists are in favor of an alliance with the PRT, but the Gascon-Jaramillo group is violently opposed to such a move. Nonetheless, this has actually happened in a number of election districts, and the Gascon-Jaramillo people have been left to ponder their defeat.

The Eurocommunists on the right are locked in a head-on struggle to the death with the Gascon-Jaramillo-Velasco group, and even more with the group led by the "Luis Morales" cell. In order to neutralize them, they have two fundamental allies: the Cordera-Cordova-Gerhenson people and the Trotskyites, along with some people from the COCEI in Oaxaca.

(Part of the COCEI is in the PSUM, another is in the PRT [Revolutionary Workers Party], and still another has its own group, but in general it has an independent regional leadership).

In journals such as SIEMPRE!, PROCESO, and NEXOS, the free-thinking intellectuals ridicule the other currents, except for the Eurocommunists on the right. Together they are demanding--and have largely achieved this--the total liquidation of whatever was positive in the struggle of the PCM [Mexican Communist Party].

The Gascon-Jaramillo-Velasco currents and groups and the others are opposed to the demand for political rights for the clergy, to the systematic attacks against the Soviet Union, and to the appeal for complete sexual freedom.

Conclusion

It is true that the integration of the PSUM has not taken place within each of its groups, but it still remains an agreement between political leaders. In order to maintain this agreement, each one is fighting intensely. The leaders, with their own divisions, recognize and grant various internal and external positions, more or less like the PRI.

How long can this pact last?

7679
CSO: 3010/1920

COUNTRY SECTION

NICARAGUA

U.S. AID OFFER TO PRIVATE SECTOR CRITICIZED

CUS Opposed to Aid

Managua EL NUEVO DIARIO in Spanish 25 Jun 82 pp 1, 12

[Excerpts] According to cablegrams from UPI and EFE the Reagan administration announced yesterday the granting of \$5.1 million in aid (51 million cordobas at the official rate of exchange) to Nicaraguan private enterprise, including the Catholic Church, which has been apportioned \$115,000, that is, 1,150,000 cordobas, as a "symbol of political and moral support for the Nicaraguans dissatisfied with the Sandinist regime."

Specified to the Last Cent

EL NUEVO DIARIO, for its part, obtained in Managua, from sources in private enterprise itself, a "down to the last cent" account of how the money coming from the Reagan government will be distributed.

This report states the following:

A total of 14 million cordobas or \$1.4 million will go to FUNDE [National Foundation for Development], which will share it with the Higher Council of Private Enterprise (COSEP) and its credit cooperatives.

A total of 27.1 million cordobas or \$2.71 million is to be divided as follows: to FECANIC [Nicaraguan Federation of Savings and Loans Cooperatives], 2 million cordobas; UNCAFENIC [Nicaraguan Union of Coffee Growers], 2.25 million cordobas; FAGANIC [Nicaraguan Federation of Cattle Breeders Associations], 6.6 million cordobas; UPANIC [Nicaraguan Agricultural Producers Union] 4.55 million cordobas; COSEP (for this organization alone, (the acme of the Nicaraguan private enterprise), 2 million cordobas; Nicaraguan Chamber of Commerce, 2 million cordobas, Nicaraguan Chamber of Industries (CADIN), 1.9 million cordobas; Chamber of Construction, 1.3 million cordobas; CONAPRO [Confederation of Professional Associations] an affiliate of COSEP's, 2.8 million cordobas; Rice Growers Association, 1.7 million cordobas.

EDUCREDITO [Institution for Academic Scholarships], one of FUNDE's programs, will receive 5.75 million cordobas which it will use in the following

manner: half a million cordobas for the "training of leaders," 250,000 cordobas for other scholarships to the "El Zamorano" Pan American Agricultural School in Honduras.

Other institutions, for which 4.15 million cordobas have been set aside, are INDE [Nicaraguan Institute of Development], which has been assigned 3 million cordobas, and the clergy, which as has been mentioned before, will receive 1.15 million cordobas.

According to the information supplied by the same source in the private sector, 750,000 cordobas have been apportioned for unspecified "other developmental institutions" and 172,000 cordobas or \$17,200 for an alleged "National Association for the Protection of Children" which is unknown to government and newspapers alike.

The itemized portions make a total of 51.75 million cordobas of the "investment asked for by the Nicaraguan 'dissidents'", which doesn't tally with the aid approved by the Reagan administration, the latter amounting to exactly 51 million cordobas or \$5.1 million, according to the information sent from Washington by the news agencies.

First Refusals

Managua (ANN)--The Confederation for Labor Unity (CLU) today branded President Reagan's request to his country's Congress for the approval of \$5.1 million for the Nicaraguan private sector and the Nicaraguan Catholic Church as a "dirty man ever to try to destabilize the Nicaraguan revolution."

Bayardo Lopez, general secretary of the CLU, and affiliate of the Inter-American Workers Organization (ORIT), denounced Reagan's help as being a "manipulation by the North American government that wants to bribe the Catholic Church and the private sector and pit them against the revolutionary government."

The North American Senate approved \$5.1 million in aid for the Nicaraguan private sector and the Catholic church, a loan characterized by a spokesman from the State Department as a "symbol of political and moral support," in an open provocation to the Nicaraguan Government, which they accuse of "trying to undermine the church's unity" and do away with pluralism.

The director of the CLU rejected the attacks made by the North American State Department at the same time that he asserted that the so called "help," besides having conditions attached, was a "crumb" that the United States is trying to offer the enemies of the government "to get them involved in its aggressive plans."

It Should be Refused

Lopez said that the Catholic Church and COSEP should immediately refuse the \$1.5 million because, instead of being a "symbol of moral support," "it is a commitment that could bring unsuspected consequences to the country, which is

going through a difficult economic situation that won't be solved by this minimal contribution."

Regarding the accusation of "undermining the Catholic Church," Lopez said that the catholics and their priests now enjoy complete freedom, which can be confirmed by anyone who visits the country.

Regarding pluralism, the director of the CLU said that "if there were no pluralism we wouldn't be here." CLU is a labor union organization affiliated with the International Congress of Free Trade Union Organizations (ICFIUO).

He added that in Nicaragua "there was political room" for everyone, but that the basic principles of the revolution, which are: nonalignment, self-determination and anti-imperialism, had to be respected.

The CLU, which participates along with the so-called dissidents and the non-Sandinists in what is called a Democratic Coordinator, maintain that at no time had they asked for "individual" or "collective" support from the North American government.

Editorial Demands Explanation

Managua BARRICADA in Spanish 25 Jun 82 p 3

[Text] Hardly 24 hours after it had been announced by the WASHINGTON POST, Ronald Reagan's government yesterday acknowledged a fact of exceptional significance: On the insistence of the executive branch, the Commission on Foreign Affairs of the House of Representatives authorized the granting of \$5.1 million in credit... for Nicaragua's great enterprise and the high hierarchy of its Catholic Church!

The POST had said that Reagan's project sought to "provide economic help to those sectors dissatisfied with the Sandinist regime." In making this announcement, Stephen Bosworth, assistant for Inter American Affairs to the Secretary of State, went still further, affirming that the "aid" is given as a "strengthening of the last bastion within pluralism in a Marxist-Leninist society."

For what it is worth, both concepts amount to the same thing. In a manner inconceivable within the framework of relations between countries, the Reagan administration arrogates the right to "help" those who are not in agreement with the Revolution, meddling brazenly in Nicaragua's internal affairs.

The "assistance" comes from the same people who a year ago tried to leave us without bread. It originates from the same source of power that arms groups of counterrevolutionaries who murder peasants and terrorist groups who blow up bridges. It forms part of the same "big package" of which, during his heyday, Secretary of State Alexander Haig spoke with utmost clarity.

Other countries, other nations, other governments without the imperialistic zeal of the United States, are concerned about helping the 60,000 Nicaraguan victims of last month's natural disaster. Intermittently, food, medicine, blankets, technicians, seeds, arrive in the country over a gigantic aerial bridge of human brotherhood. But Washington doesn't give a damn about the poverty of our brothers. For this reason it is no accident that their "help" seeks the "others" specifically.

Which pluralism is Reagan trying to "save" with the help of millions of dollars? In our country, and anybody who recognizes reality is aware of this, pluralism exists not as a rhetorical resource, (one would have to see what the Chicanos, the Blacks and the Indians think about Reagan's pluralism) but as a political choice in the revolutionary project, the honest businessmen who have stayed in the country to produce for their own benefit, but within the framework of social justice that prevails in Nicaragua, can give an account of this.

With boundless impertinence the Reagan administration tries to justify its actions by claiming that as a result of these, "private initiative in Nicaragua remains free." There could not be greater impudence! Of course, imperialism, from its own lair, is at liberty to "help" whomever it wants to help and for whatever purposes it wants. What remains to be seen is what the "helped" sectors will say to explain this peculiar generosity of Mr Reagan.

According to information received from Washington, the "beneficiaries" will be: The Foundation for the Development of Nicaragua, \$1.4 millions; Cattle Breeders Federation, \$660,000; Union of Agricultural Producers, \$445,000 and the high level hierarchy of the Catholic Church, \$115,000.

Private Sector Admits Aid

Managua EL NUEVO DIARIO in Spanish 26 Jun 82 pp 1, 15

[Text] Members of the Higher Council of Private Enterprise (COSEP) admitted yesterday that they will receive economic aid from Ronald Reagan's Government through AID, but that last year they received a fair number of millions of dollars for their respective programs.

While the American Government, intent on economically destabilizing Nicaragua's Revolutionary Government, "gives aid" to the most "politicized" capitalistic sector of Nicaragua's private enterprise, it denies loans to the Nicaraguan Government, which would invest them in developmental programs for all the people.

Chamber of Commerce Received Over a Million

Managua's Chamber of Commerce, one of COSEP's affiliates, received donations worth 1.4 million cordobas last year for programs of its members, as Dr Orestes Romero Rojas, general manager of that institution said yesterday morning.

Rojas added that he had not yet received any confirmation in relation to the "aid" announced by the State Department for the Catholic Church and the elements of the private sector unhappy with the Sandinist Government, but that 6 months ago they did solicit from the North American government the renewal of last year's "grant."

Through its official Otto Reich, the American government announced a grant in aid worth \$1.5 million as a symbol of "moral and political support" to Nicaraguans who look with hope to the United States.

Mr Ernesto Salazar, president of Nicaragua's Cattle Breeders Association, confirmed that they too have asked for assistance for programs of their affiliates from Ronald Reagan's government, but also from other countries as well as from private institutions in the United States.

FAGANIC Received \$2 Millions

Salazar affirmed that this past year Reagan's government had already given a grant in "aid" for 2 million cordobas to FAGANIC [Nicaraguan Federation of Cattle Breeders Associations] and that this was known to the Revolutionary Government. He added that he doesn't consider the "aid" that the Reagan government has given them through AID to be political support, as the agent Reich described it in Washington, but rather support for their developmental programs, and that he had not heard from the American Government about the announced 6.6 million cordobas that this organization will receive.

Salazar stated that they have programs in need of financing. He mentioned among them one worth \$29.9 million to eradicate the "boring worm" that causes great losses to the cattle industry, to be carried out through the IICA [Inter American Institute for Agricultural Cooperation] with headquarters in Costa Rica and sponsored by the World Bank and a North American foundation. He opposed the idea that the announced aid was motivated by political considerations.

Tactics to destabilize.

Other North American administrations previous to Reagan's have used the tactic of strengthening the capitalistic economy of the private sector, as they did in Chile and Jamaica, where they have provoked economic crises for the revolutionary governments to prove that these forms of government are worthless. At the same time they demonstrate that the private sector is capable of promoting the country's growth and of benefitting the people.

The Nicaraguan Cattle Breeders Association gathers to its bosom the richest cattle farmers in the country and these are also affiliated with COSEP, which has been systematically opposing the Revolutionary Government.

In the same way, the grant that the North American Government is approving for the private sector and the Nicaraguan Church, includes CONAPRO, [Confederation of Professional Associations] another of COSEP's affiliates, which has been allotted 2.8 million cordobas in "aid."

Yesterday afternoon we sought out Mr Gilberto Cuadra, president of that organization, in his office, and when we found him he excused himself, claiming that he couldn't say anything until today at 1:00 pm because he was busy with an engineers' meeting.

CONAPRO-COSEP Received "Aid" Also

Mr Erick Ramirez said at CONAPRO's headquarters that as far as he was concerned he would be glad to comment as soon as he received a confirmation of the cablegram that announced the grant for the private sector, Ramirez admitted that last year they received 2 million cordobas through AID from the Reagan government.

Dr Andres Zuniga, vice president to CONAPRO-COSEP, said that 6 months ago they asked for aid from the North American government to be used for seminars for professional training and for a library they are building. They went on denying what has been publicly said about the political nature of this "aid."

When Zuniga was asked what obligations CONAPRO and its members are incurring by receiving this "aid" from the Reagan government he said none, that they accepted the "aid" and that was it, in the same way that they received aid from other countries and that this aid was not being used for subversive activities but for the good of the country.

He also said that he didn't know what it meant that while Reagan's government denied all loans to the Revolutionary Government, it donated money to CONAPRO at the same time.

In relation to the 1.15 million cordobas that the Reagan government has asked from the North American Congress for Nicaragua's ecclesiastic hierarchy, so that it will oppose the policies of the Sandinist Government, which it asserts is trying to "inhibit the church's unity and independence," the priest Francisco (Paco) Olivas said that this was a dirty maneuver by the North American government.

Father Olivas added that in Nicaragua the church and all Christians have absolute freedom to practice their faith publicly and collectively and that the Sandinist Front for National Liberation itself has come out in support of his freedom, guaranteeing it. Thus, he added, it is completely false that the unity and independence of the church are being restricted here.

The priest affirmed that what the Reagan government wants is to buy the Nicaraguan Catholic Church in order to defile it, to turn it against its people. In the name of dignity the high ecclesiastical hierarchy should reject that money. They should not accept it, and moreover, they should denounce this maneuver.

Workers, Peasants Opposed

Managua EL NUEVO DIARIO in Spanish 26 Jun 82 pp 1, 15

[Text] The "aid" that American imperialism is trying to offer to the rightwing faction and to the ecclesiastical hierarchy through the Reagan administration has been designated by our country's working class as another maneuver to attempt to destabilize the revolutionary process.

Jose Ramon Rodriguez, of COMMEME [Municipal Corporation of Managua's Markets] declared that said measure is one more maneuver by imperialists to create problems for the Revolution "because if they, the United States, wanted to help the people, that money should be handed over to the people."

"We," he added, "have to double our efforts to explain to our people the reactionary position that a sector of private enterprise and a sector of the church have taken lately.

"Our country needs that money and more to rebuild our land: the rural areas, health and other areas that lack the funds to get under way. Nevertheless the United States has denied us loans, but now it wants to give them to the more affluent sectors, which do not need them."

That Money Can Have Two Objectives

Oscar Martin Miranda, general secretary to the union El Caracol, said that at first glance one can tell that the North American government is interested in making the people believe that all it wants is to finance private enterprise.

"But," he continued, "this aid could have two objectives: one would be to try and reactivate private enterprise and the other one would be to use it to finance movements that aim to destabilize the revolutionary process.

"If the United States wants to help our country, why isn't the aid channeled through the legitimate representatives of the people, who are the Sandinist government?", asked the unionist.

"We, the Nicaraguan working class would look favorably on and agree to the strengthening of relations with the United States provided there were no stipulations.

"We are prepared to confront this new maneuver by fulfilling the production goals so that we can strengthen our economy," he concluded.

They Try To Divide Us

Roger Valle, general secretary of the Julio Obando Union of Standard Steel, said that the objective of North American imperialism in financing private enterprise is to try to pit that sector and part of the Catholic Church against the Revolutionary Government.

He added that those who work for a private enterprise and see the difficulties that the private sector goes through to get foreign currency know that this money will make a difference, but what they don't know is what the Reagan administration wants in return.

"They should know that the working class is more united than ever and that we will get ahead with or without help and that we won't accept any kind of stipulations.

"We believe we could have closer relations with the United States provided they respect our determination to remain a free country."

Ricardo Sanchez Tapia, member of the Julio Obando Union, stressed that the way in which the North American government wants to help our country is suspect, in that they should avail themselves of the proper channels, which would be the Revolutionary Government.

At the UNAG

"We will never accept help that would harm the sovereignty and the dignity of our country," said the president of UNAG [National Union of Agriculturists and Cattlemen] referring to the \$5.1 million that the Reagan administration will grant to private entrepreneurs and the Nicaraguan church.

Gonzalez, who has recently come back from various socialists countries, invited by associations of the same persuasion, claimed he didn't have enough information to pass judgment on the granting of credit.

But he added that such aid was only given with the purpose of strengthening those sectors that oppose the revolutionary process and "we are not going to be content to work under those conditions because in the first place we support our Sandinist popular revolution and in the second place, if we accepted the aid we would be playing into the hands of reaction and imperialism," he said.

Narciso Gonzalez pointed out that "at no time would we ask for aid that is not granted through the institutional channels since we won't do anything that is not within the norms and rules established by the revolutionary process and our country." "But we also know that with this loan or aid or whatever it is, the big problems such as health, housing and others that afflict our country won't be solved, and we already know that as it always happens, those who benefit from that aid in the long run will be the reactionary minorities," he added.

COSEP Explains Aid

Managua LA PRENSA in Spanish 29 Jun 82 pp 1, 12

[Text] The Higher Council of Private Enterprise (COSEP) discussed yesterday, during a press conference, the \$5. million that the United States has provided to Nicaragua's private sector.

At that conference, which was held at the organization's headquarters, the following information was given verbatim:

The organizations that make up Nicaragua's private sector, in view of the biased information published by media close to the government in relation to a cablegram announcing that the North American Congress had approved aid for Nicaragua's private sector, wishes to elucidate the following to the citizenry:

1- The organizations of the private sector that are benefited by foreign aid agreements have worked for many years for the benefit of the Nicaraguan people.

2- These organizations have received and will continue to receive financial aid from governments such as the Federal Republic of Germany and the Venezuelan Republic as well as grants and loans from international organizations such as the Inter-American Development Bank (BID), the International Agency for Development (AID) and the European Economic Community through united agencies.

3- All this aid is channeled by our organizations to programs such as EDUCREDITO [Institution for Academic Scholarships], to finance students with limited resources; FUNDE [National Foundation for Development], oriented towards financing small producers organized in cooperatives and to programs for technical assistance to farmers and cattlemen who constitute UPANIC [Nicaraguan Agricultural Producers Union]. These funds are also used to carry out economic studies within the various chambers of the private sector and to implement courses and seminars for the purpose of improving the productivity of various economic sectors.

4- It is important to point out that all these resources obtained through the initiative of the private sector produce great benefits for Nicaragua, inasmuch as they strengthen the balance of payments. These resources contribute to national reactivation, thus strengthening small businesses with the help of our institutions, which are known only too well to the Nicaraguan people and have a long history of work and efficiency.

5- According to decree 838 of the Government Council for National Reconstruction, all gifts coming from abroad are registered at the Central Bank of Nicaragua. By means of this registration the bank will know the name of the contributing institution, the date on which the grant was received, the purpose of the gift and the amount received. Complying with the law and beginning on 1 July 1980, the organizations that form the private sector have been registering their gifts at the Central Bank. Copies of these registrations, duly signed by the bank, are in the hands of each chamber.

6- According to regulations published in the News Bulletin No 205, dated 10 September 1981, that govern the operation of buying and selling foreign currency, all donations coming from outside the country have to be negotiated through the Monetary System at the official rate of 10 to 1. The organizations of the private sector have abided by this decree, negotiating all their

donation through the Monetary System, which has permitted the government to obtain foreign currency in addition to that generated in the country.

7- An agreement is signed with each international institution that donates or loans money to the private sector, clearly indicating the purpose of the donation or loan. In the particular case of AID, the donation agreements have been sent to the Central Bank of Nicaragua.

8- The information about the utilization of the loan money is known to institutions such as Procampo, which is the government agency that authorizes the credit that we give to the farming-animal husbandry cooperative.

Having made the above clear, we report that it is a fact that Nicaragua's private sector has been notified by AID that a donation worth several million dollars has been authorized in order to complete the aid agreed to in the first quarter of 1981. This grant will be used to help small producers, merchants, small cattle farmers, cooperatives and students with limited resources, by means of the programs that the private sector has been sponsoring for many years.

Nicaragua's private sector considers that these aid agreements are necessary for the development of our country and for this reason it has asked for financial aid in the past and will ask for it in the future, from the international economic community in order to continue contributing to the national well-being, which is the duty of all Nicaraguans, notwithstanding the criticism by ill-informed or ill-intentioned persons who look at everything through a deceptive political prism.

Managua, 28 June 1982

9907

CSO: 3010/1889-1890

NEW ANTI-SANDINIST GROUP 27 MAY LEGION FORMED

San Pedro Saula LA PRENSA in Spanish 8 Jul 82 p 4

[Text] The people of Nicaragua are hereby informed that for their own well-being, for those who have chafed under the yoke of Sandinist terrorism, the 27 May Legion has been formed which will be one more armed force in the fight for democracy in Nicaragua.

They are also advised that this legion has obtained 3 torpedo launches (PT boats) with surface-air and surface-surface missiles.

We are making it known to the general public that certain measures have been determined which will affect the people economically, but we know that the people are prepared to make sacrifices to defeat Sandinocommunism. These measures are:

1. After 15 July of this year no boat or sea going vessel will be able to enter Nicaragua via any maritime port. All boats still in Nicaragua or that may still be in Nicaragua by this time limit must leave the area.

This decision holds for all vessels of all nationalities, except those vessels from the International Red Cross whose contents are received and administered solely by the International Red Cross.

2. In the event that a boat is found entering or leaving Nicaragua after this date, the boat will be torpedoed whatever its origin or destination may be.

3. Since the fleet we have is small and since we will be searching primarily for ships of Soviet or Cuban origin, it is possible that a vessel may manage to get in or leave Nicaragua. But if this were to happen, we will search out that vessel and we will attack it wherever it may be, and reprisals will be taken against the shipping companies at their offices for collaborating with Sandinocommunism. We will also take reprisals against the maritime agencies and the trading companies or any other individual involved in sending goods to Nicaragua. This reprisal will apply no matter what the country. We are particularly giving notice to France about sending the arms it has planned for the Sandinist criminal and mafioso regime. The French Government should remember how vulnerable it is with regard to its diplomatic missions and its citizens here.

4. Articles 1, 2 and 3 are also valid for all types of ground transportation, even if only passing through Nicaragua, since the Sandinists could confiscate said commodities.

5. Public transportation companies may operate in Nicaragua. As may, for the moment, the airlines.

9730
CSO: 3010/1943

GOAL OF SINGLE TRADE UNION FEDERATION POSTPONED

San Jose LA NACION INTERNATIONAL in Spanish 3-9 Jul 81 p 15

[Text] The project to create a single federation of trade unions, which would group together all the workers and give the Sandinist National Liberation Front (FSLN) absolute control over them, remains alive in the minds of the Sandinist leaders even though for the time being it has been postponed.

Nevertheless, according to reports from independent unionists the Managua government is keeping up the pressure on those refusing to pledge themselves to the leaders of the FSLN.

The Sandinist leaders showed repeatedly the necessity and advantage for the workers to join together in a single block.

But in practice this has not been possible, since the workers have demonstrated a steely independence and determination to remain in a free labor union separate from the state.

On 1 May under the auspices of International Labor Day, the primary leaders of the FSLN National Directorate espoused several points vital for building "a new society in Nicaragua." One of them was precisely the creation of a single labor union federation.

In this vein Bayardo Arce Castano, member of the National Directorate, called for "more unity among the working class, until they have one single labor federation", while Tomas Borge, secretary of the interior, assured that the "main enemy of the working class is the division within the working class."

Such positions coincide with those of the Sandinist Workers Federation (CST), who at the same event favored "the indestructible unity of the workers around one single party (FSLN) and with the working class."

Harassment

Even though for now the plans to monopolize the unions have not gone beyond public speeches by the Sandinist leaders, the secretary general of the Federation of Nicaraguan Workers (CTN), Carlos Huembes, recently told LA NACION INTERNACIONAL that "we are being pursued and harassed because we are the

force for independent labor, which is an obstacle to the single union federation that the Sandinists are planning so that the government may have total control over the working class.'

Huembes explained, "That project is paralyzed but not because the Sandinist regime has abandoned it, but because the working class is resisting it."

In light of the danger that the plan represents, added the speaker, many unionists "bit by bit have been joining our ranks," but this has disturbed the FSLN high officials "to such an extent that we are being pursued and our lives are threatened."

Carlos Huembes stated that the Sandinist commanders and even Dr Sergio Ramirez Mercado, member of the Government Junta, have publicly accused them of being involved in anti-Sandinist activities and of being "enemies of the working class." Another charge made against them is that of sabotaging the government labor centers.

When asked to specify these accusations, the CTN secretary general emphasized, "For example, on some banana plantations the lives of the CTN workers are constantly threatened. Specifically, we can cite the case of the leaders Gabino Cortedano, Ernesto Davila and others who are summoned late at night or at dawn to the army barracks in Waslala or Jinotega in the northern part of the country. There the police and State Security forces question them for hours and hours for the clear purpose of terrorizing them."

Huembes also commented that the CTN faces "other methods of harassment, such as popular Sandinist groups, known as CDS (Sandinist Defense Committees) taking control of the food supplies in the banana growing regions and they are not giving food to the CTN members."

Then the union leader complained of the lack of attention paid by the Nicaraguan authorities to reports of cases like the preceding ones. He explained that this happens since "they are the same authorities who do not respect union freedom and are annoyed that the CTN has such a strong number of affiliated groups and does not wish to submit to a single dictatorial labor federation."

Nor does the government, stated Carlos Huembes, pay attention to the complaints made by the unions that make up the Federation of Nicaraguan Workers. "All of the pages of petitions presented by the workers represented by our organization, are indefinitely withheld," which makes "new victories for the working class" impossible.

Fewer Rights

Huembes was clear when stating, "I sincerely believe that the Nicaraguan workers are losing more and more their right to negotiate contracts. The Department of Labor, through its officials running the Office of Union Affairs, every day diminishes the right of the workers to obtain better working conditions."

He said that the country's working class cannot request salary increases or declare strikes (prohibited by the Emergency Economic Law). "This is a crime severely punished by the Sandinist revolutionary laws," he noted.

When asked what pronouncements he hoped for by 19 July, which marks the third anniversary of the fall of the Somoza dictatorship, he responded, "The announcements that we would most like to hear are not promises, but rather that union freedom will be effectively respected in Nicaragua and the workers will be permitted to exercise their traditional rights, which are now suspended."

The accusations of Carlos Huembes were upheld by the 16th Conference of Central American Labor Unions, which was held in San Jose, Costa Rica 28-29 May. Present at that event were labor unions from all of Central America, among them CTN.

In its resolution on the Nicaraguan situation the Conference confirmed "the repression of rights and freedoms of the workers, suppressing the right to strike, limiting or making the right to organize very difficult, prohibiting all types of wage recuperation, slandering and pursuing the democratic workers organizations, as in the specific case of the Federation of Nicaraguan Workers, and trying to nullify all forms of independent expression by the workers."

For this reason, it warned that the increased limitations on freedoms and the aggression against the democratic groups, "especially the workers movement, constitutes a blatant violation of human rights."

It also condemned the government and FSLN attacks against the Federation of Nicaraguan Workers.

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END